

City Of Oak Ridge Tennessee

2005 BUDGET



O.R. Central Services Complex



O.R. Wastewater Treatment Plant



O.R. Water Treatment Plant

City of
Oak Ridge
Achieving Excellence

www.cortn.org

City of Oak Ridge, Tennessee
Fiscal Year 2005 Annual Budget

CITY COUNCIL

David R. Bradshaw
MAYOR

Leonard A. Abbatiello
Tom Beehan
Louise Dunlap

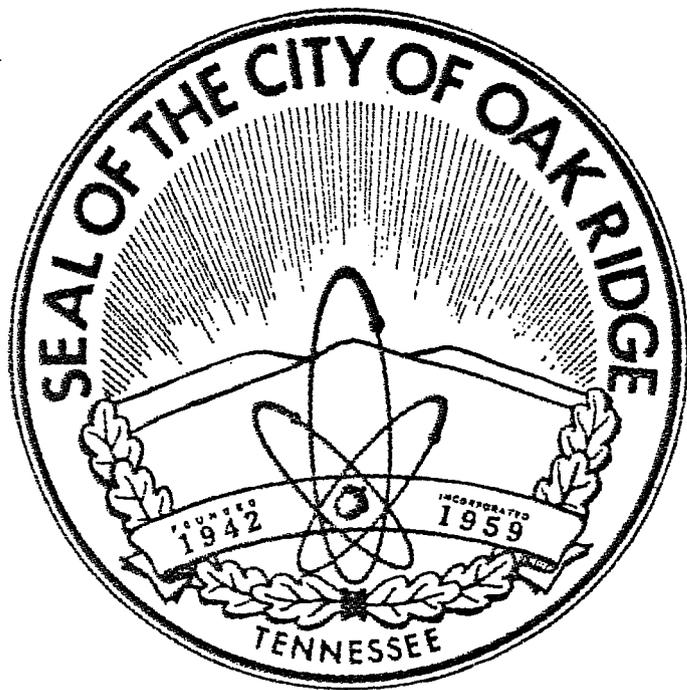
Willie Golden, Jr.
D. Jane Miller
David N. Mosby

James R. O'Connor
CITY MANAGER

Janice E. McGinnis
FINANCE DIRECTOR

Steven W. Jenkins
DEPUTY CITY MANAGER

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CITY OF OAK RIDGE **VISION, VALUES, AND MISSION**

Our Citizens' Vision

WE WANT OAK RIDGE TO BE AN EXCEPTIONAL PLACE FOR ALL
TO LIVE, WORK, AND VISIT

As an Organization, We Value:

- PROGRESSIVE, CUSTOMER-ORIENTED SERVICE
 - A WELL TRAINED, SAFETY-CONSCIOUS STAFF
 - OUR EMPLOYEES AND THEIR FUTURE
 - OPENNESS AND DIVERSITY
 - PERSONAL INTEGRITY
 - LEADERSHIP

Our mission:

TO BE A LEADER AND PARTNER IN ACHIEVING EXCELLENCE AS
A COMMUNITY.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Oak Ridge

Tennessee

For the Fiscal Year Beginning

July 1, 2003

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented and Award for Distinguished Budget Presentation to the City of Oak Ridge for its annual budget for the fiscal year beginning July 1, 2003

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications medium. The award is valid for a period of one year only.

We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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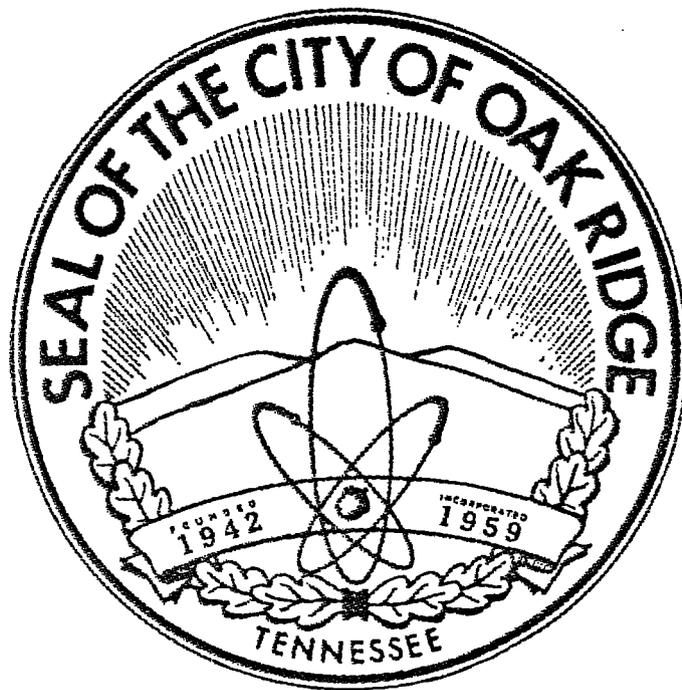
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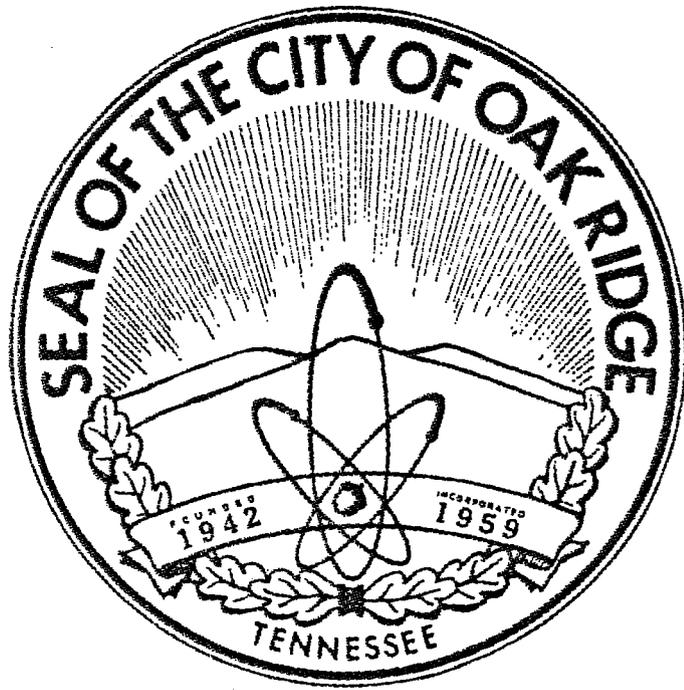
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General Information

CITY OF OAK RIDGE GENERAL INFORMATION

LOCATION

The City of Oak Ridge is located in the eastern part of the State, approximately 22 miles northwest of Knoxville. The City occupies a southern portion of Anderson County and an eastern portion of Roane County. Nearly ninety percent of the City's taxable parcels are located in Anderson County, while only about ten percent of the parcels are in Roane County. Oak Ridge is approximately ninety-two (92) square miles in area and includes the plant and facilities of the U.S. Department of Energy. Residential, commercial and municipal owned portions of the City make up nearly thirty (30) square miles. The remaining area of the City is owned by the Department of Energy. The population of Oak Ridge according to the 2000 census is 27,387, an increase of 77 over the 1990 census population.

Oak Ridge borders the Clinch River's navigable waterway for 42 miles along the shores of Watts Bar and Melton Hill Lakes. Two state highways, Route 95 and Route 62, intersect in the middle of the City. Access to Interstates 75 and 40 is within 9 miles.

HISTORY

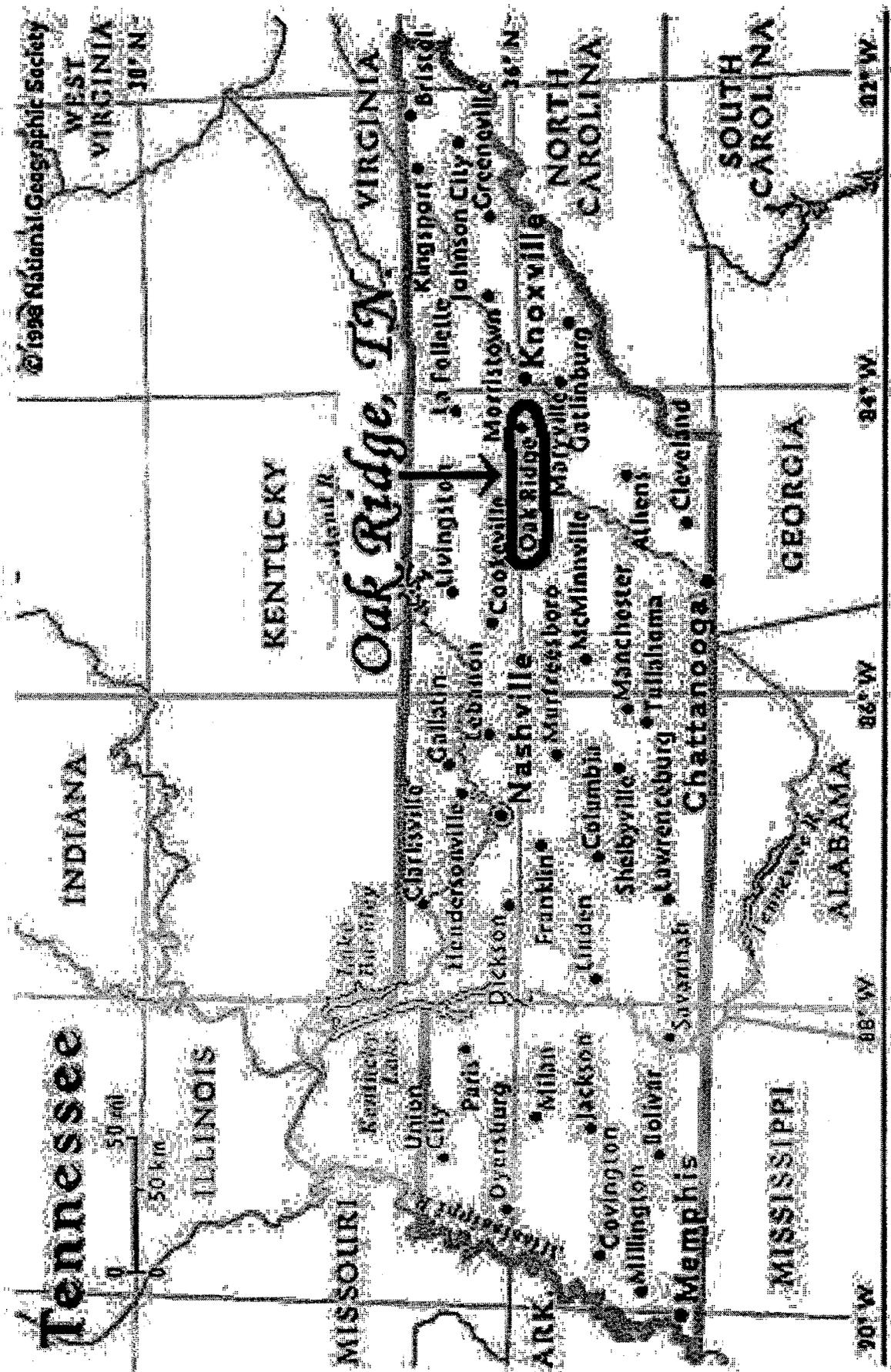
The City of Oak Ridge has a unique history. This area was selected by the United States government in 1942 as the location for its production plants for uranium 235, a component of the first atomic bomb. Constructed by the U.S. Corps of Engineers as part of the secret World War II "Manhattan Project", the early task of the plant was the separation of fissionable uranium-235 from the more stable uranium-238 by an electro-magnetic process. Some 80,000 workers were hired for emergency construction of the laboratories and offices in the then 56,000-acre site.

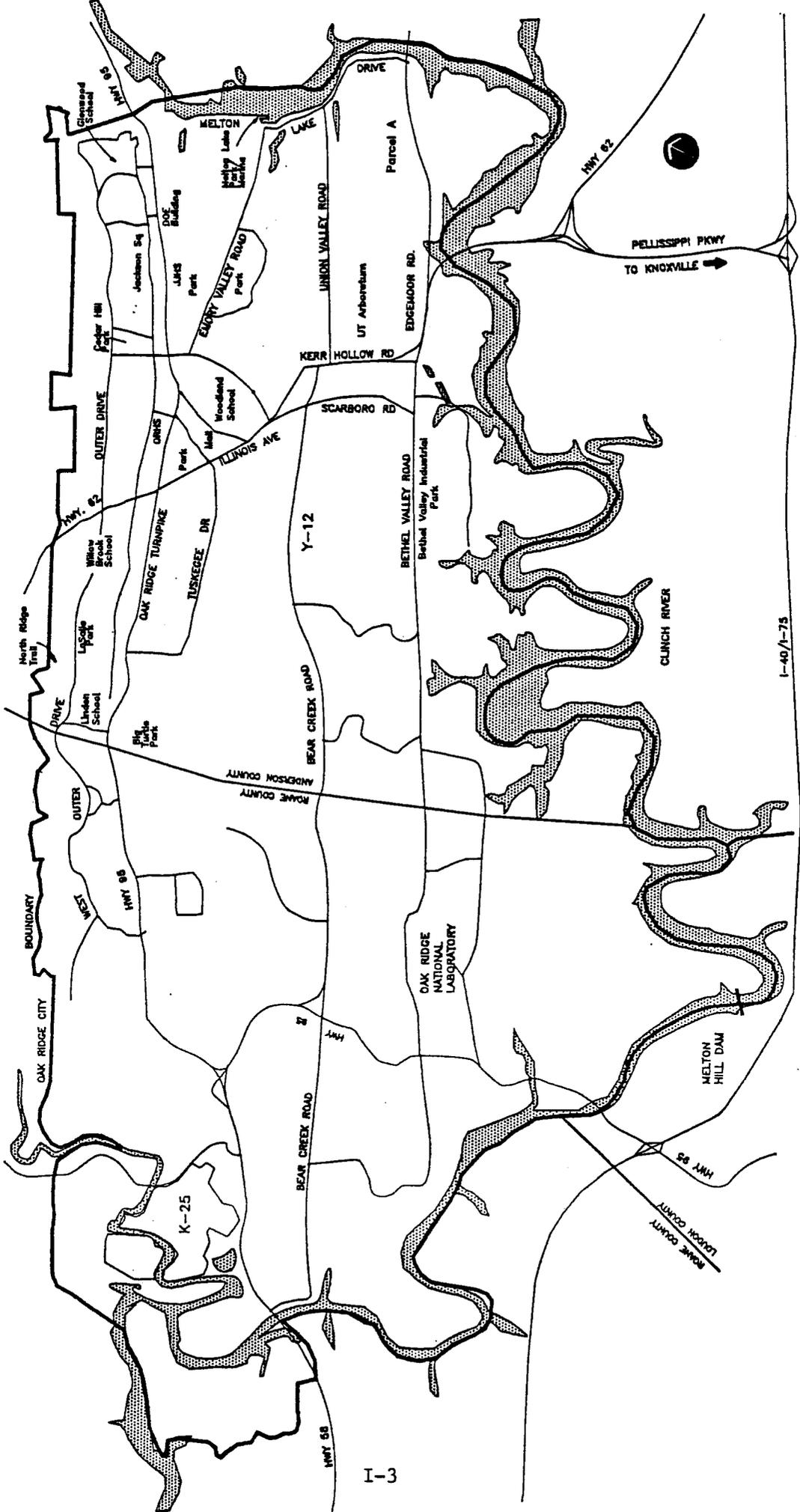
The original townsite was built during World War II to house and furnish necessary facilities for the employees of the uranium plants. This project was transferred to the Atomic Energy Commission in 1947, and the community was operated by contractors under the control of the Atomic Energy Commission.

In 1955 Congress passed Public Law 221, which allowed the Atomic Energy Commission to sell the homes and land to the residents, and to give the City all municipal facilities if it voted to incorporate. By 1959, all housing had been sold, and residents voted overwhelmingly in favor of incorporation under a modified city manager-council form of government.

GOVERNMENTAL STRUCTURE

The City is governed by a modified City Manager-Council form of government. The governing body of the City is a seven member City Council. Approximately, half of the City Council is elected on a non-partisan basis every two years for a four-year term of office. Following each regular City election, the City Council elects one of its members as Mayor to serve for a two-year period as ceremonial head of the City and presiding officer of the City Council. The City Council appoints the City Manager, who is the chief administrative officer of the City. The City Manager appoints all other City employees except the City Attorney who is appointed by City Council.





NOT TO SCALE

CITY OF OAK RIDGE

The City School System is governed by a five member Board of Education elected at large with four-year terms of office. The Board of Education appoints the Director of Schools who serves as the chief administrative officer of the school system.

The City provides a wide range of services characteristic of similar jurisdictions in the State including public safety (police and fire protection), education, residential refuse collection, culture-recreational programs, street maintenance, public improvements, planning and zoning, economic development and general administrative services. The City also provides electric and water and sewer collection and treatment services.

FINANCIAL OPERATIONS

As required by the City Charter and generally accepted accounting principles (GAAP), all City funds and account groups are organized according to standards established by the Government Accounting Standards Board (GASB). The City's financial reporting system is designed to provide timely, accurate feedback on the City's overall financial position and includes, at a minimum, quarterly reports to the City Council. All City financial statements are audited annually by independent certified public accountants.

The City has received annually the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for its annual operating budget since the inception of the award by GFOA. The award recognizes that the annual operating budget meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications medium.

The City has received annually the GFOA Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report since the City was incorporated. The Certificate of Achievement recognizes that the City's financial statements meet the strict standards of GASB.

The City operates under several broad multi-year budgetary policies. The most notable of these policies is the Multi-Year Budget Management Plan, which was initiated in 1986 and includes a long-range fiscal planning tool for the General Fund referred to as the multi-year model. This annually updated financial tool is the successor to the Score Plan, the name given to the blueprint adopted by the City to assure prudent use of nearly \$22.3 million in one-time in-lieu-of-tax proceeds received from the Department of Energy in 1986.

On an annual basis, the City's financial plans are set forth in the annual operating budget and the capital improvement program as required by applicable provisions of the City Charter. On October 7, 2002, City Council adopted a strategic plan titled "*Oak Ridge City Council Strategic Plan, The Path Forward, 2003-2007*". City Council's guidance to the City Manager regarding preparation of the fiscal 2005 General Fund budget was to present a proposed budget which supported the strategic plan. The adopted strategic plan begins on page I-35 of this document. Amendments which revise the total expenditures of any fund may occur at any time during the fiscal year after a public hearing before the City Council; however, the City Manager may, on his own authority, transfer budgeted amounts between departments within any fund. Normal budgeted control is maintained at the activity level by reviewing estimated purchase amounts prior to the release of purchase orders to vendors. Outstanding encumbrances are reported as reservations of fund balance at the end of the fiscal year in the General, Special Revenue and Capital Projects Funds.

MANAGEMENT AND DEPARTMENT ORGANIZATION

All departments of the City are under the supervision and control of the City Manager who is appointed by City Council. A Director or Deputy City Manager appointed by the City Manager heads each department listed below. The exception is the Legal Department whose departmental head is appointed by City Council.

Administrative Services	Legal
Community Development	Library
Economic Development	Personnel
Electric	Police
Finance	Public Works
Fire	Recreation & Parks

Each department consists of separate entities referred to as activities, which have specific functions and purposes unique to that activity.

EDUCATION

The City school system operates schools covering grades kindergarten through 12, with an approximate enrollment of 4,350 students and a professional teaching staff of 397. The primary and secondary schools are among the finest in Tennessee and the nation. The September 2000 issue of the Wall Street Journal's Offspring Magazine listed the Oak Ridge School system in the top 100 in the nation and second in the South. The March 2000 issue of Newsweek magazine listed the Oak Ridge Schools as a top ranked high school based on number of graduating seniors taking Advanced Placement courses. In addition to the City system, a parochial school also exists within the city limits covering grades one through eight.

In the fall of 1999, a new approximately 100,000 square foot branch campus for Roane State Community College opened which offers courses in radiation physics, radioactive waste management and a two-year certification program for health physics technicians. Enrollment has consistently exceeded projections

Oak Ridge Associated Universities (ORAU), a consortium of six Tennessee and 49 other colleges and universities and a management and operating contractor for the U.S. Department of Energy is also located in the City. A pioneer in technology transfer, with historic contributions in nuclear medicine and health physics, ORAU today conducts specialized training in nuclear related areas of energy, health and the environment. In particular, ORAU has been able to provide technical assistance to government, the academic community and industry in radiological site assessment, environmental monitoring and provision of radiopharmaceutical internal dose information.

INDUSTRY AND MANUFACTURING

Since the 1940's, the nuclear industry has been the largest employer for the City and County. Today, the U.S. Department of Energy ("DOE"), working through its primary subcontractors, BWXT and UT-Battelle, occupies approximately 33,147 acres within the City limits, and employs approximately 8,200 employees in engineering, skilled and semi-skilled crafts, technicians and administrative support. BWXT operates the Y-12 weapons plant facilities and UT-Battelle operates the Oak Ridge National Laboratory. Federal and federal contractor employment at the Oak Ridge facilities totaled 12,856 as of December 31, 2003.

The ongoing functions of the Y-12 plant are to support DOE's weapons designs labs, recover U-235 from spent nuclear weapons, and provide support to other government agencies. The mission of the Oak Ridge National Laboratory is to develop safe, economical and environmentally acceptable technologies for energy production and use. The Laboratory has greatly expanded its mission within recent years to include major developments in the following diverse fields: advanced ceramic materials, robotics, information management and environmental sciences. Construction is under way of the Spallation Neutron Source (SNS) at DOE's Oak Ridge National Laboratory. When completed in 2006, the SNS will become the world's foremost center for neutron scattering research for making a variety of materials stronger, lighter and cheaper. The project is projected to cost \$1.4 billion, employ 2,300 workers during construction and add several hundred permanent employees after completion. Additionally, the SNS expects up to 3,000 scientists to visit each year for varying periods of time, and numerous small industries to be spun off from the experiments and findings.

DOE is continuing to research and develop solutions to local and national problems related to radioactive and hazardous wastes. Using their own facilities in the City, DOE through its subcontractors have begun a significant program to implement environmental remedial action in and around the Oak Ridge Reservation.

A dedicated effort by the DOE to transfer technology to the private sector that was heretofore held as proprietary to the U.S. Government alone has led to an unparalleled growth in new business development in the City. Licenses have been granted to existing firms as well as start-up firms to manufacture for commercial use products using state-of-the-art technology in robotics, ceramics and nuclear medicine.

The City has been actively seeking to diversify its economic base from as early as the mid 1960's. In addition, the commercial and industrial portion of the tax base has risen from 35% in 1987 to 44% in 2004. Currently, there are four industrial parks in the City that were developed by the municipality and two parks that were developed by private firms. A new industrial park, Horizon Center, is currently under construction on 1,000 acres of undeveloped federal land.

OPERATING BUDGET POLICIES

1. The City will consider as its highest priority the maintenance of basic public services and facilities necessary to meet the needs of its residential, institutional, commercial and industrial "citizens." A basic public service or action is one that would not be provided without public action, and one that is either:
 - Essential to the health and safety of the city's residents; or
 - Necessary in order to avoid irreparable damage to City resources; or
 - A service the absence of which the City would be generally unacceptable to its residents.
2. After one or more work sessions, Council will provide policy guidance to the City Manager and staff for preparation of the proposed budget for the next fiscal year. Council guidance will define the appropriate service levels for municipal programs and overall personnel policies.
3. The City Manager will prepare an operating budget that supports the Oak Ridge City Council Strategic Plan. The City Manager will not be precluded from proposing program expansions based on Council guidance or staff initiatives.

4. The City Manager and others involved in the operating budget preparation process will also use the priorities expressed in the Comprehensive Plan as the framework for review and formulation of the proposed City budget. The City staff will review programs and projects on at least an annual basis to ensure their conformance with the Comprehensive Plan.
5. The Council may meet once or more annually with the Board of Education to discuss the services offered by the Schools and factors affecting budget preparation for next fiscal year. This work session will be held between July 1 and October 31 of each year. Any Council guidance to the Board of Education will be communicated formally no later than November 15 of each year.
6. Responsive, quality service will characterize the City of Oak Ridge. All departments of the City will continue periodically to examine and effect changes in program delivery responsibilities or management that would improve productivity, lower costs, enhance service and further communication with the public.
7. The City will continue actions to ensure that all City staff members are sensitive to the special needs of the community and its residents.
8. The City will take steps to continue to increase citizen involvement in the ongoing planning, programming and budgeting process.
9. The City will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' obligations. In particular, the City will continue the scheduled level of maintenance and replacement for its infrastructure and fleet.
10. The City will prepare a detailed budget which identifies and accounts for object code expenditure increases from the previous budget year that are greater than the rate of inflation, subject to a minimum increase of \$2,000.
11. The City will maintain a budgetary control system to ensure adherence to the budget and will prepare monthly reports comparing actual revenues and expenditures to budgeted amounts.
12. The City will integrate performance measurement and productivity indicators within the budget.
13. In all actions to balance the budget, the City will attempt to avoid layoffs. If possible, any personnel reduction will be scheduled to come permanently from attrition.

REVENUE POLICIES

1. The City will attempt to develop a diversified and stable revenue system to shelter it from short-run fluctuations in any one-revenue source. Specifically, the City will do the following:
 - a. Continually monitor and access the local taxing effort of Oak Ridge as compared to other Tennessee cities.
 - b. Aggressively pursue equitable, in-lieu-of-tax payments from the Department of Energy and the United States Congress for existing and new projects located on nontaxable federal property in order to reinforce and enhance a climate of economic competitiveness and vitality in the community.
 - c. Move toward a local revenue structure for financing public services, which de-emphasizes the property tax and encourages the use and development of alternative revenue sources such as greater reliance on the local option sales tax.
2. The City will follow an aggressive policy of collecting revenues.
3. The City will consider market rates and charges levied by other public and private organizations for similar services in establishing tax rates, fees and charges.
4. All charges for services, fees and licenses will be reviewed annually and, whenever possible, recommendations for adjustment will be made at one time.
5. The City will consider the establishment of new user fees as an alternative to property tax funding. Before implementation of new user fees, the City will first determine the cost of administering and collecting the fee, what other jurisdictions are charging for similar fees, the purpose of the fee and if it can be accomplished.
6. The City will aggressively seek Federal and State grants. These revenues will be targeted as much as possible to capital improvements.
7. The City will ensure that Oak Ridge receives a fair proportion of all State and County shared taxes and revenue.
8. Whenever possible, revenue sources will be designed or modified to include provisions to automatically allow the collections to grow at a rate that keeps pace with the cost of providing the service.

DEBT MANAGEMENT GUIDELINES

1. Long-term borrowing will only be utilized for capital improvements or capital projects that cannot be financed with current revenues.
2. Bonds will be repaid over a period less than or equal to the project's useful life.
3. The total amount of bonds or other evidence of indebtedness secured by the full faith and credit of the City that shall be outstanding at any one time shall not exceed 10 percent of total appraised valuation of all real estate lying within the city limits. (Home Rule Charter Article IV, Section 12)

4. Debt instruments will be structured to allow future flexibility and market interest by including the Optional Redemption Features and Optional Bidding on Bond Insurance.
5. The City will maintain good communications with bond rating agencies regarding the City's financial condition.
6. The City will fully disclose information on every financial report and bond prospectus.

BUDGET FORMAT

The budget document for the City of Oak Ridge provides historical, present, and future comparisons of revenues and expenditures; allocations of resources – both fiscal and personnel; and descriptions of the anticipated annual accomplishments of City programs.

BUDGET ORGANIZATION

The budget document is organized to provide a summary of the total budget in the Budget Overview section of this document. Revenues and expenditures for each fund are located in the applicable fund section of this document. The major portion of the budget consists of detail pages containing a description of the funds and activities along with an expenditure summary for that function. Legal Requirements, the Personnel Schedule, Statistical Information, Glossary and Index conclude the document.

FINANCIAL STRUCTURE

The City accounts are organized by fund and account group, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped into six generic fund types and two broad fund categories as follows:

Governmental Funds

General Fund

The General Fund is the principal fund of the City and is used to account for all activities of the City not included in other specified funds. The General Fund accounts for the normal recurring activities of the City (i.e. police, fire, recreation, public works, general government, etc.).

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The City of Oak Ridge utilizes the following Special Revenue Funds - General Purpose School Fund, Drug Enforcement Program Fund, State Street Aid Fund, Streets and Public Transportation Fund, Economic Diversification Fund, Solid Waste Fund, and Grants Fund.

Debt Service Fund

The Debt Service Fund is used to account for the payment of principal and interest on long-term general obligation debt not serviced by an Enterprise Fund. The General Fund primarily provides funding for this debt service obligation.

Capital Projects Fund

The Capital Projects Fund is used to account for financial resources segregated for the acquisition or construction of major capital facilities other than those financed by enterprise operations. The primary funding source for the Capital Projects Fund is from proceeds from general obligation long-term debt issuances and operating transfer from the General Fund. In fiscal 2000, the General Fund began budgeting annual operating transfers to the Capital Projects Fund to provide funding for routine City and School capital maintenance projects. This transfer was started to reduce the City's reliance on long-term debt proceeds for capital maintenance projects under \$300,000.

Proprietary Funds

Enterprise Funds

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods or services to the general public be financed or recovered primarily through user charges; or (b) for which the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City utilizes four Enterprise Funds for municipal operations that includes the Electric Fund, Waterworks Fund, Emergency Communication District Fund and Golf Course Fund.

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department to another department of the City on a cost-reimbursement basis. Established Internal Service Funds include the Insurance Fund and Equipment Replacement Rental Fund.

BASIS FOR BUDGETING

Budgets for all Governmental Funds (General, Special Revenue, Debt Service and Capital Projects Funds) are adopted on a basis consistent with generally-accepted accounting principles (GAAP), except that in the General, Special Revenue and Capital Projects Funds encumbrances are treated as budgeted expenditures in the fiscal year the commitment to purchase is made. Budgeted amounts reflected in the accompanying budget and actual comparisons are as originally adopted or as amended by City Council.

Budgets for all Governmental Funds are approved by City Council and adopted as legal appropriation levels for those funds for that fiscal year. The appropriation ordinance for fiscal year 2005 is presented on page I-45 of this document. A lump sum expenditure amount for each Governmental Fund, exclusive of operating transfers, is approved by City Council as the legal appropriation for that fund. Operating transfer amounts for Governmental Funds and projected expenses for Proprietary Funds (Enterprise and Internal Service Funds) are presented in the appropriation ordinance for informational purposes only.

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by City Council. Expenditures may not exceed appropriations at the fund level.

Formal budgetary integration is employed as an ongoing management control device for Governmental Funds. Budgetary control is also achieved for the Debt Service Fund through general obligation bond indenture provisions. All appropriations that are not expended or encumbered lapse at year-end.

BASIS OF ACCOUNTING

All Governmental Funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Taxes and intergovernmental revenue, with the exception of property taxes, are considered measurable at the point of sale, due date or transaction occurrence for revenue recognition. Availability for revenue recognition purpose is 60-days after fiscal year end. For budget presentation purposes, property tax revenues are recognized in the fiscal year for which they were levied. Licenses and permits, charges for services, fines and forfeitures, and other revenues are recorded as revenue when received in cash.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, an exception to this general rule would include principal and interest on general long-term debt which is recognized when due.

All Proprietary Funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred. The reserve method is used to estimate the allowance for doubtful accounts for electric, water and wastewater service receivables.

To facilitate the cost accounting process, the City distributes the cost of a number of common use, "overhead" expenses to each General Fund budget activity on the basis of a predetermined cost distribution. Indices such as square footage, number of telephones, and number of clerical personnel are used to assign the cost of utilities, telephones, and other costs on a pro-rata basis. To further identify the actual cost of each General Fund budget activity, all or a major portion of the work performed by certain service centers is transferred to the benefiting activities under the caption "Reduction of Costs." Examples of service (or cost distribution) centers include 935 Engineering and 845 Computer Services.

In each case, these activities provide the supervision, engineering, labor, materials, or equipment for construction, maintenance, and repair of the City's buildings, water and sewer systems, streets, equipment, and other items of physical plant or administrative services necessary for the operation of these Funds. The costs involved are transferred in whole or in part to the benefiting Fund or activity. The purpose of cost distribution is to assign all costs, to the extent practicable, to the budget activity incurring or requiring the expenditure.

ADOPTED EXPENDITURES COMPARED TO RATE OF INFLATION

City Council has adopted an operating budget policy which states, "The City will prepare a detailed budget which identifies and accounts for object code expenditure increases from the previous budget year that are greater than the rate of inflation (2.3 percent increase for budget FY 2004), subject to a minimum increase of \$2,000." In accordance with this policy, the monetary change

and the percentage difference are identified for each object code. An explanation of the most significant expenditure increases is provided in the Significant Expenditure Changes section of each activity summary sheet except for Personal Services, outlined below.

PERSONAL SERVICES CALCULATIONS

In the FY 2005 Budget, the expenditure category Personal Services, (Object Codes 5110 through 5175), includes regular, temporary and overtime salaries, and related benefits, for employees of the City of Oak Ridge, such as employer contributions for Social Security and retirement and a life and health insurance program.

The salary for each regular employee is allocated to a department activity and budgeted under Object Code 5111. Salary calculations are computed for each employee on the basis of 26 biweekly pay periods using the current pay plan rate adjusted by an average 3.0% merit increase for all City employees. During fiscal 2003, a citywide comprehensive pay plan review was completed, which updated job descriptions and salary ranges. The new pay plan structure eliminated awarding across-the-board cost-of-living-adjustments (COLA's) to city employees. Now all pay increases awarded to city employees are to be based solely on each employee's job performance during the preceding year. The new pay plan structure also eliminated set percentage step increases within the salary ranges. For fiscal 2005, the percentage merit increase awarded to individual employees will be based on that employee's performance review rating ranked with other employees in their department. Overall, employee merit increases could not exceed 3.0% of that departments total salary base. Overtime is projected in Object Code 5130. Overtime expenditures are impacted by the Fair Labor Standards Act (FLSA), which requires either payment in cash or compensatory time at time and one-half for all hours worked in excess of normal duty hours.

The calculation of the City's contribution for Social Security, (Object Code 5141), and the Tennessee Consolidated Retirement System (TCRS) Benefits, (Object Code 5150), are mandated based on a percentage of each employee's salary, with the Social Security contribution currently 7.65% and the Retirement contribution 11.53% for both regular civilian employees and regular Public Safety employees. The City's TCRS contribution increased from 8.86% to 11.53% of gross wages in fiscal 2005. The Retirement contribution percentage is adjusted biennially by the TCRS and will be reviewed again for fiscal 2007. In Object Code 5160, the City also provides individual health insurance coverage, which includes medical insurance, dental reimbursement, long-term disability insurance and life insurance coverage.

BUDGET PROCEDURE

The Charter for the City of Oak Ridge provides that no later than April 1 prior to the beginning of the fiscal year on July 1, the City Manager shall submit to the City Council a Proposed Budget for the next fiscal year, which presents a complete financial plan for the ensuing year. In accordance with the City Charter the following information must be provided: (a) detailed estimates of all proposed expenditures for each department, board, officer or other agency of the City, showing, in addition, the expenditures for corresponding items for the last preceding fiscal year, appropriations and anticipated expenditures for the current fiscal year, and reasons for recommended departures from the current expenditures pattern; (b) statements of bonded and other indebtedness of the City; (c) detailed estimates of all anticipated revenues of the City from all sources with a comparative statement of the amounts received by the City from each of such sources for the last preceding fiscal year, the current fiscal year, and the coming fiscal year; (d) and any other supporting schedules as requested by City Council.

To ensure compliance with this Charter requirement, a budget schedule is prepared each year to facilitate the decision-making process by providing overall direction to City departments. The budget preparation process begins in late summer when City departments begin preparation of six-year Capital Improvements Program requests for submission to the Community Development Department by late September. By early October, Community Development staff prepares a recommended draft Capital Improvements Plan that is submitted to the City Manager for review and approval. By late October, the consolidated draft document is submitted to the Oak Ridge Regional Planning Commission for review. The program identifies anticipated projects, establishes priorities, and identifies the anticipated source of funding. The program, as modified and approved by the Planning Commission, is submitted for Council's consideration by December 1.

In early November, City departments begin assessing new resource needs for the coming year relative to capital equipment, including fleet; extraordinary maintenance requirements; automation services; and proposed new or expanded work programs. Budget requests and supporting documentation are prepared and submitted in early December for Finance Department and the City Manager's review.

A self-evaluation of the departments' objectives and measures of performance for the current year is initiated in November and used in the preparation and development of objectives and performance measurements for the upcoming year. This information is formally submitted to the Finance Department by mid-December to provide adequate review time before department budget review sessions occur in January. The budget documentation prepared includes a statement of departmental goals and objectives, proposed performance measures, an estimate on the status of performance measures at the end of the current year, traditional object code line item expenditure requests, justification for expanded expenditure requests, and initial financial estimates on the department's expenditure status by the end of the current fiscal year.

During January, the Finance Department quantifies preliminary budget information for the City Manager's review. Departmental objectives, measures of performance and operating budgets are refined for consolidation in the Proposed Budget document during the month of February. Expenditure and revenue projections for the current fiscal year and estimates for the proposed fiscal year and thereafter are updated with the latest available data. This information permits final adjustments to routine operating expenditures and new and expanded programs for inclusion in the Proposed Budget.

A Proposed Budget for the upcoming fiscal year is presented to the City Council at its first scheduled meeting in March. The Board of Education also presents the General Purpose School Fund budget at this meeting, including a request for appropriation of City funds to meet program obligations. The City's Proposed Budget document is supplemented with a separate document titled "Major Budgetary Recommendations Report and Proposed Program Modifications" (MBR). This document provides Council detailed information on critical issues and program changes proposed for the coming year. Budget Work Sessions are held with City Council during March and April to provide detailed review of the proposed operating and capital improvements budgets, and proposed program modifications in the MBR. These sessions provide the opportunity for City Council to analyze the City Manager's Proposed Budget and to request additional information as needed.

Generally at the second City Council meeting in March, a formal public hearing is held on the Proposed Budget. This meeting provides citizen input to Council on decisions and issues related to the budget. The first reading of the Appropriations Ordinance is also approved as amended by Council during this meeting. City Council adopts the Appropriations Ordinance, as amended, at second reading of the Ordinance, which occurs at the last Council meeting in April. Council approval of the Ordinance adopts the Budget for the fiscal year beginning July 1 and sets the tax rate for the upcoming year.

FY 2005 BUDGET CALENDAR

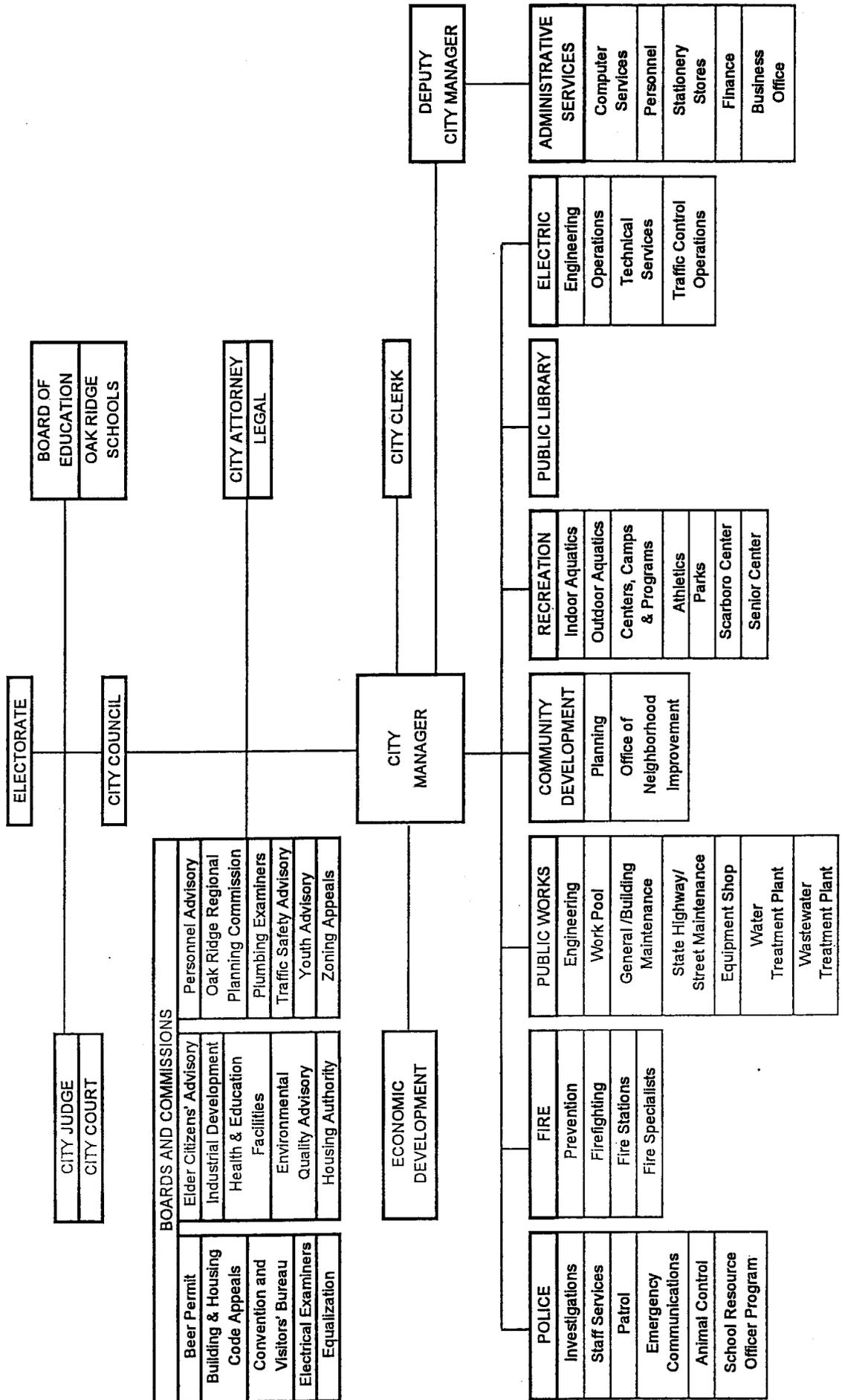
<u>Date</u>		<u>Event</u>	<u>Responsibility</u>
<u>Start</u>	<u>Completion</u>		
8/18/03	8/29/03	Preparation of six-year Capital Improvements Program requests (FY 2005 – FY 2010)	Responsible Departments
9/01/03	9/12/03	Submission of Proposed Capital Improvements Program to Senior Management for preliminary review & approval	Community Development
10/06/03	3/01/04	Preparation of Proposed Budget including budget projections, narratives and schedules	Finance Department
9/15/03	9/22/03	*Complete and Print Proposed Capital Improvements Program	Community Development
	9/22/03	Submission of Proposed Capital Improvements Program	Planning Commission
9/23/03	10/23/03	Review of Proposed Capital Improvements Program by Planning Commission	Responsible Department Community Development
	10/23/03	Approval of six-year Capital Improvements Program	Planning Commission
11/04/03	12/31/03	Preparation and submission of all Budget Updates for FY 2005	All Departments
11/07/03	2/09/04	Provide policy input on City Budget	City Council
	11/10/03	Joint Meeting between City Council and Planning Commission to review FY 2005 – 2010 Capital Improvements Program	City Council, City Manager, Planning Commission, Responsible Departments
	2/13/04	Administrative Public Hearing-Proposed Statement of Community Development Objectives and Projected Use of CDBG Funds	CDBG Committee
	3/01/04	Presentation of FY 2005 City, Schools, CIP Proposed Budgets, and Major Budgetary Recommendations Report to City Council	City Council, City Manager
	3/04/04	Proposed Budget to City Clerk and Public Library for Public Inspection	Finance Department
	3/15/04	Budget Work Session	City Council, City Manager
3/16/04	3/22/04	Budget Work Session follow-up information prepared	Finance Department
	3/22/04	Public Hearing on FY 2005 Budget	City Council

FY 2005 BUDGET CALENDAR (Cont'd)

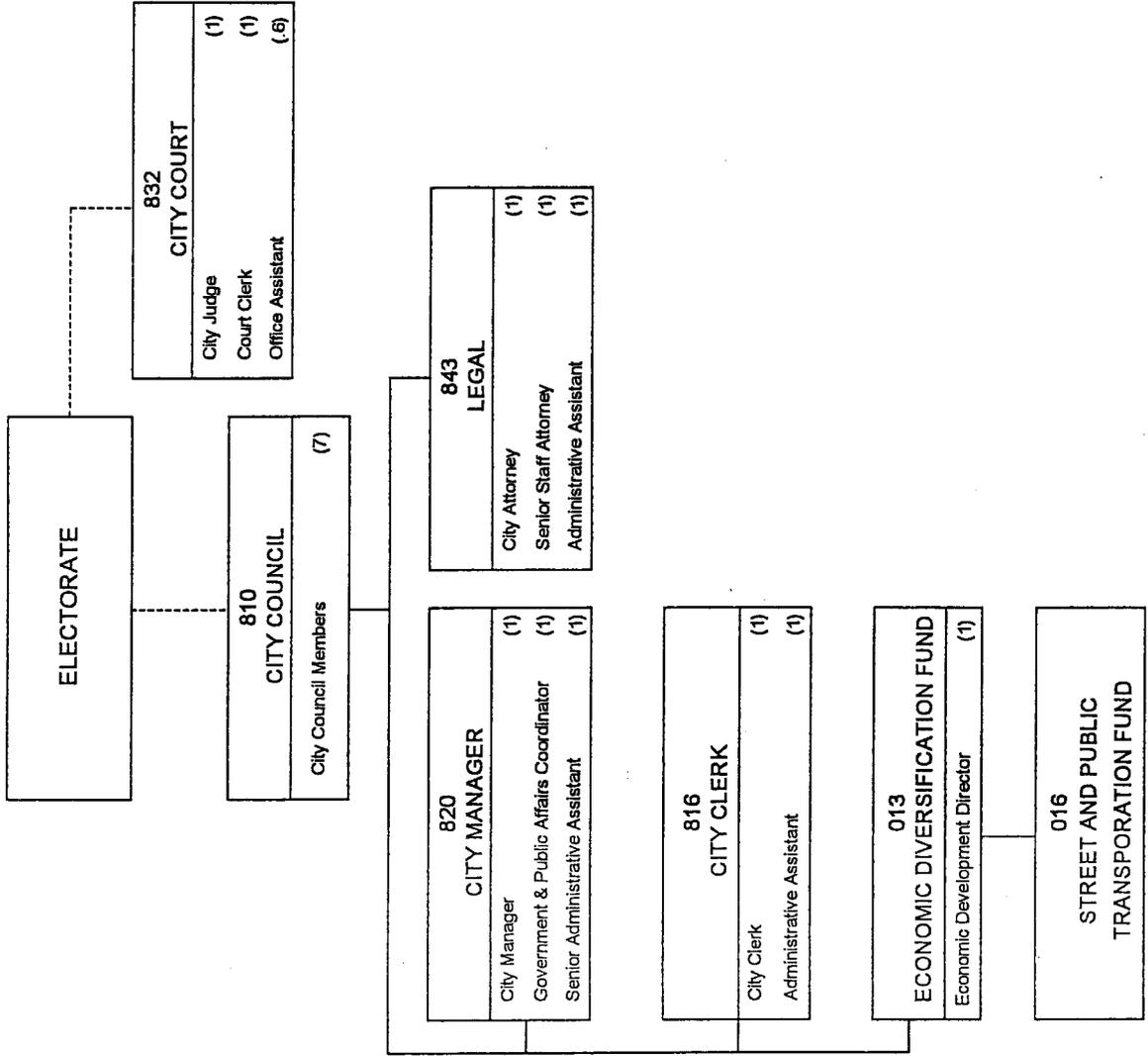
<u>Date</u>		<u>Event</u>	<u>Responsibility</u>
<u>Start</u>	<u>Completion</u>		
	3/22/04	Council Meeting for first reading and adoption of FY 2005 Budget	City Council
	3/22/04	Public Hearing on FY 2005 Community Development Block Grant Proposals	City Council
	4/19/04	Council meeting for final reading and adoption of FY 2005 Budget and 2004 tax rate	City Council
	4/29/04	Effective Date of Budget Ordinance	

ORGANIZATION CHART

City of Oak Ridge, Tennessee

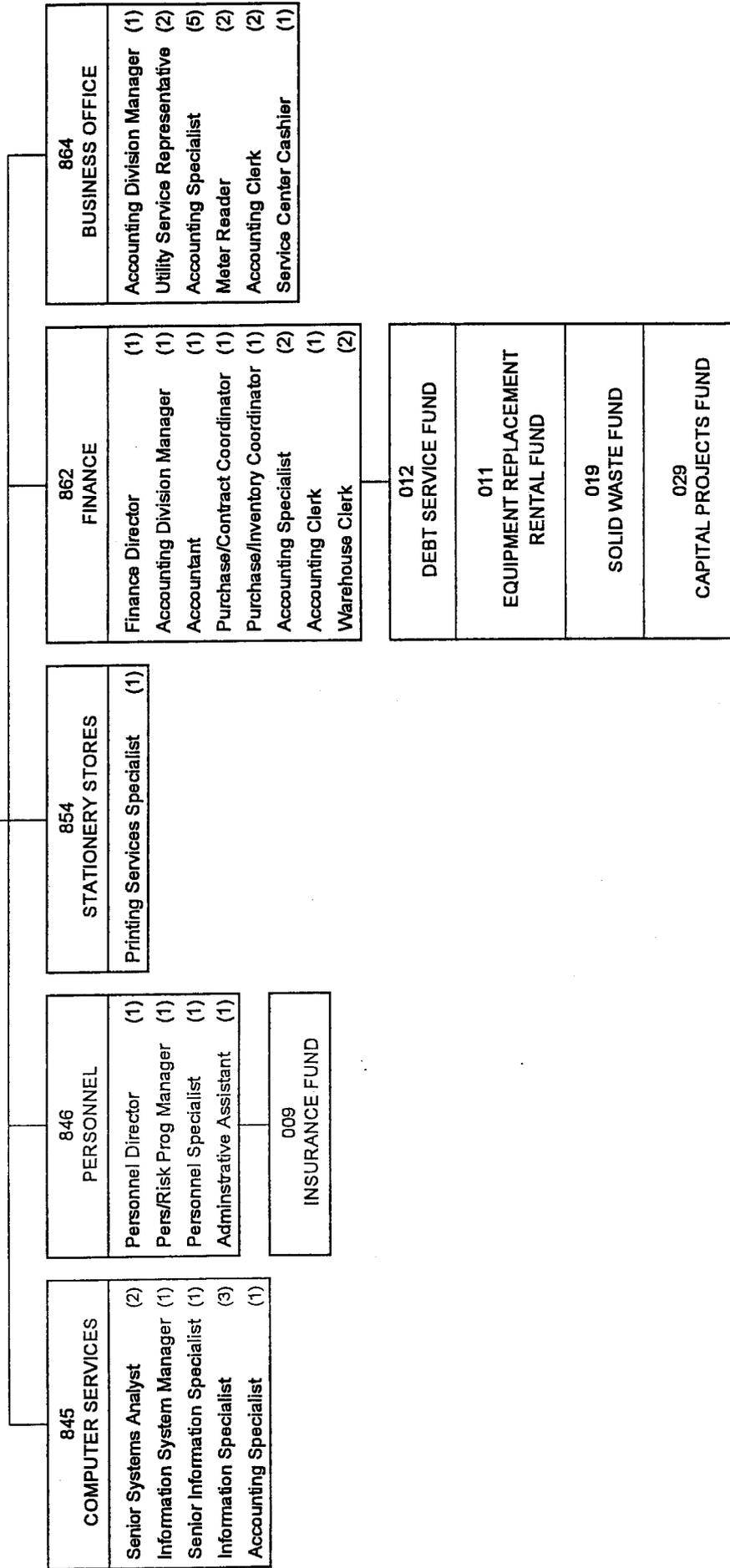


GENERAL GOVERNMENT

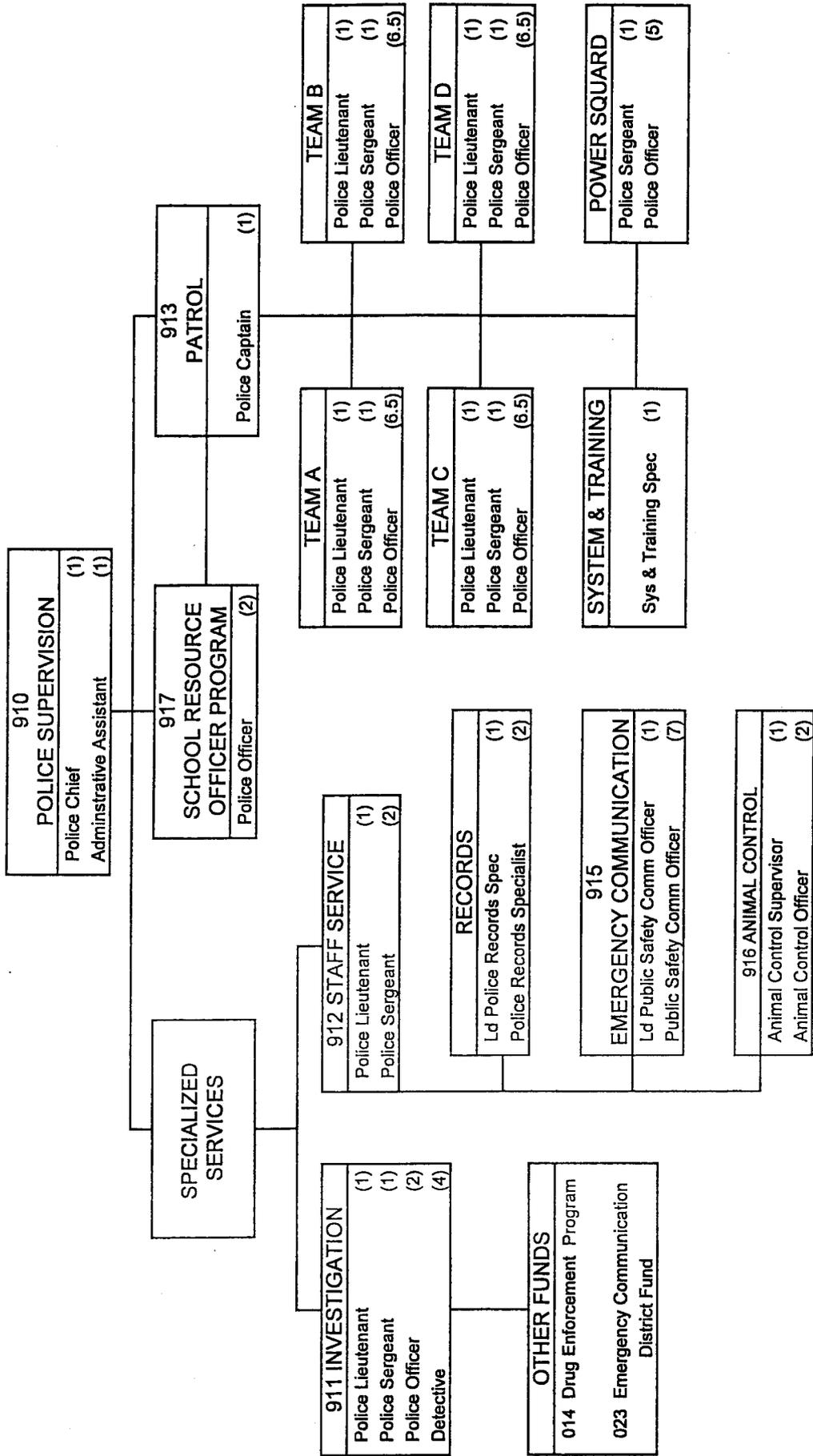


ADMINISTRATIVE SERVICES

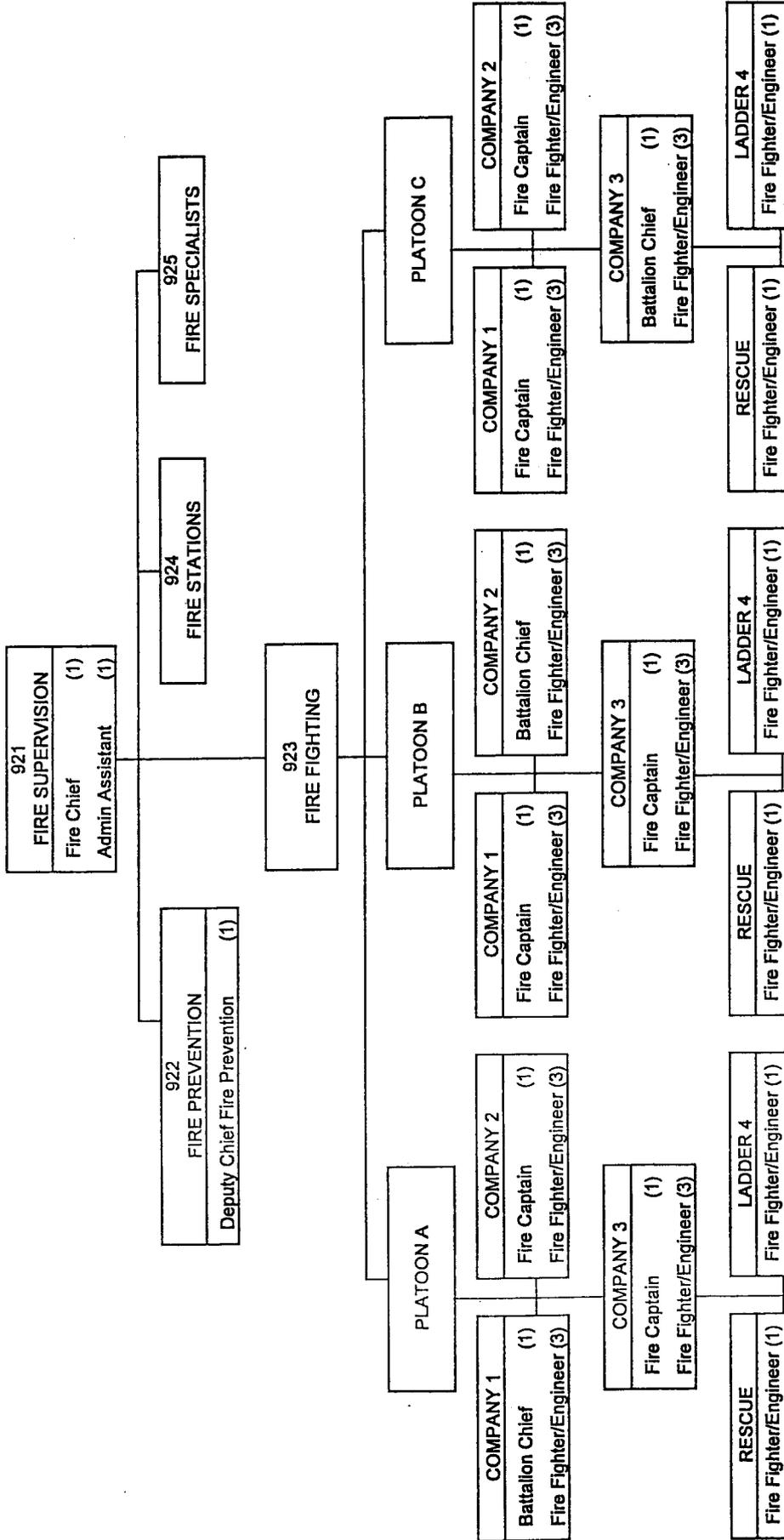
Deputy City Manager (1)
(845 Computer Services)



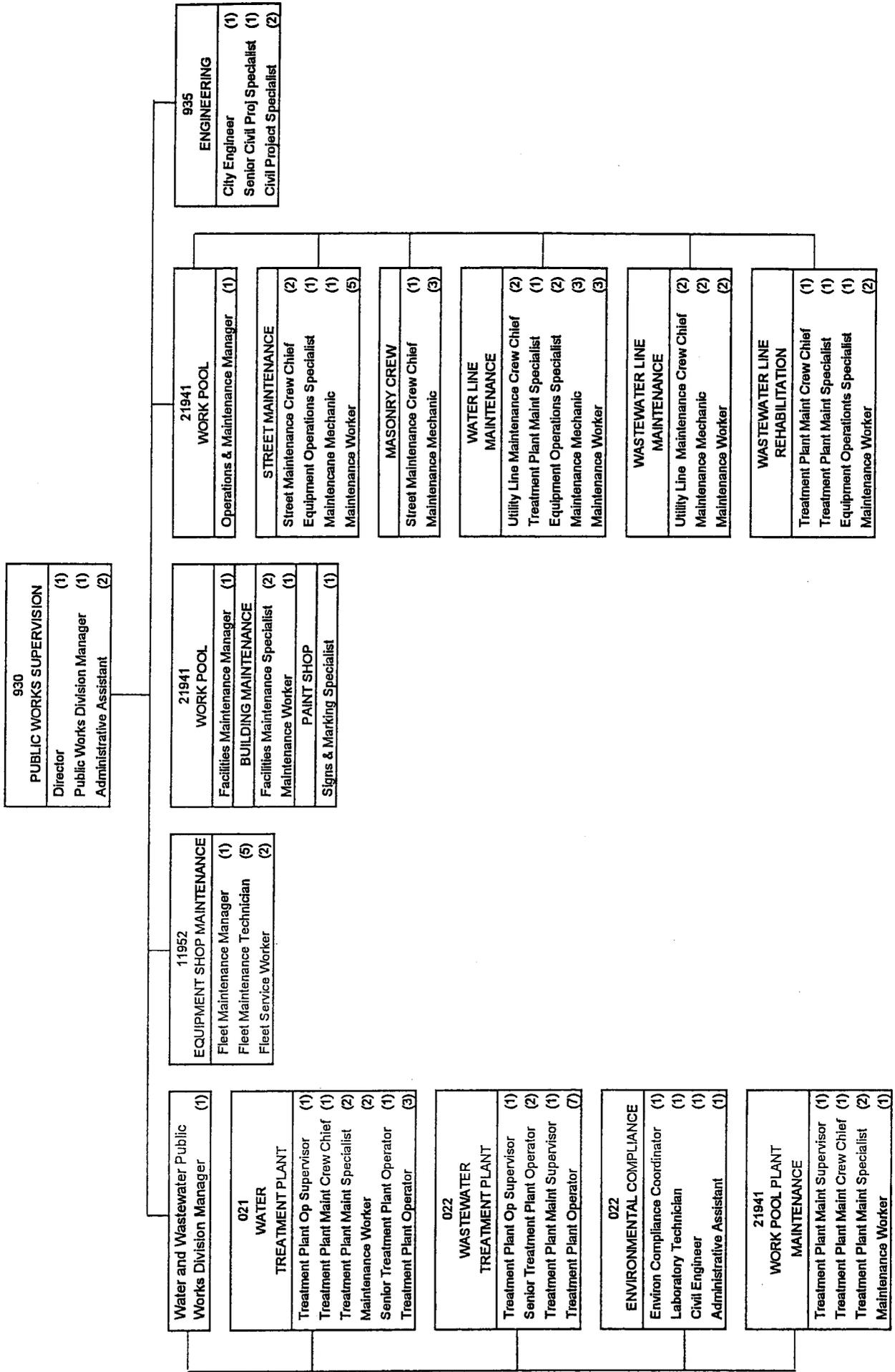
POLICE DEPARTMENT



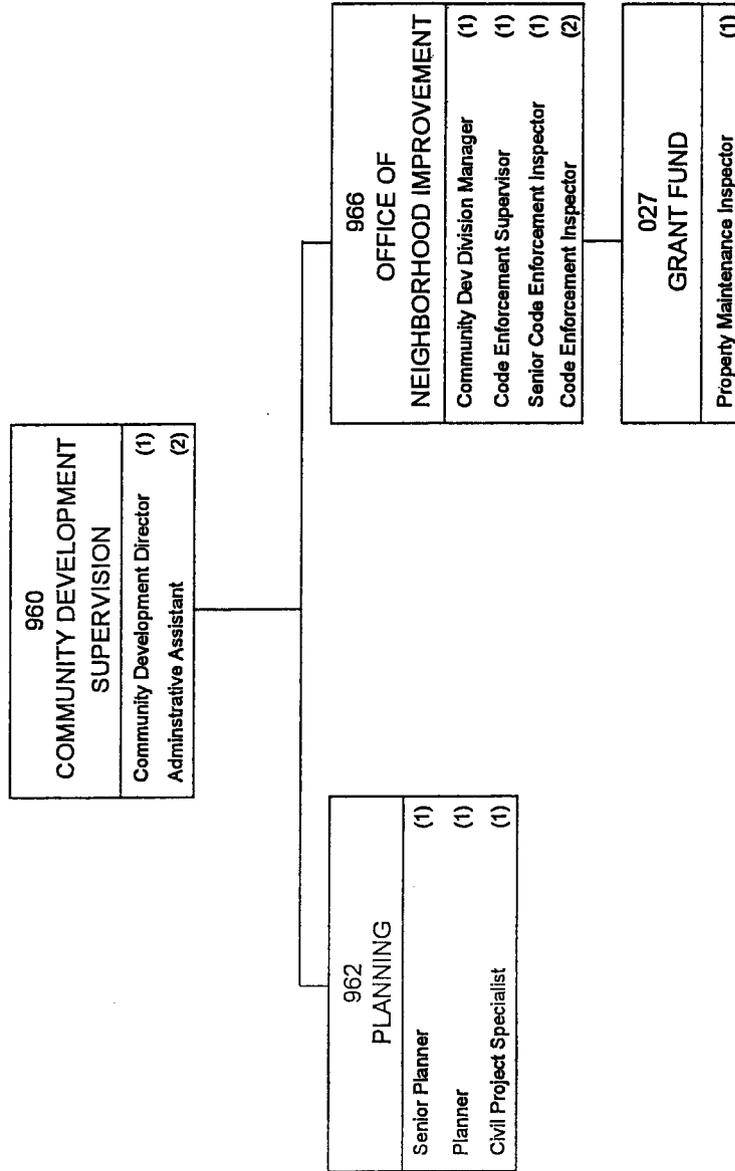
FIRE DEPARTMENT



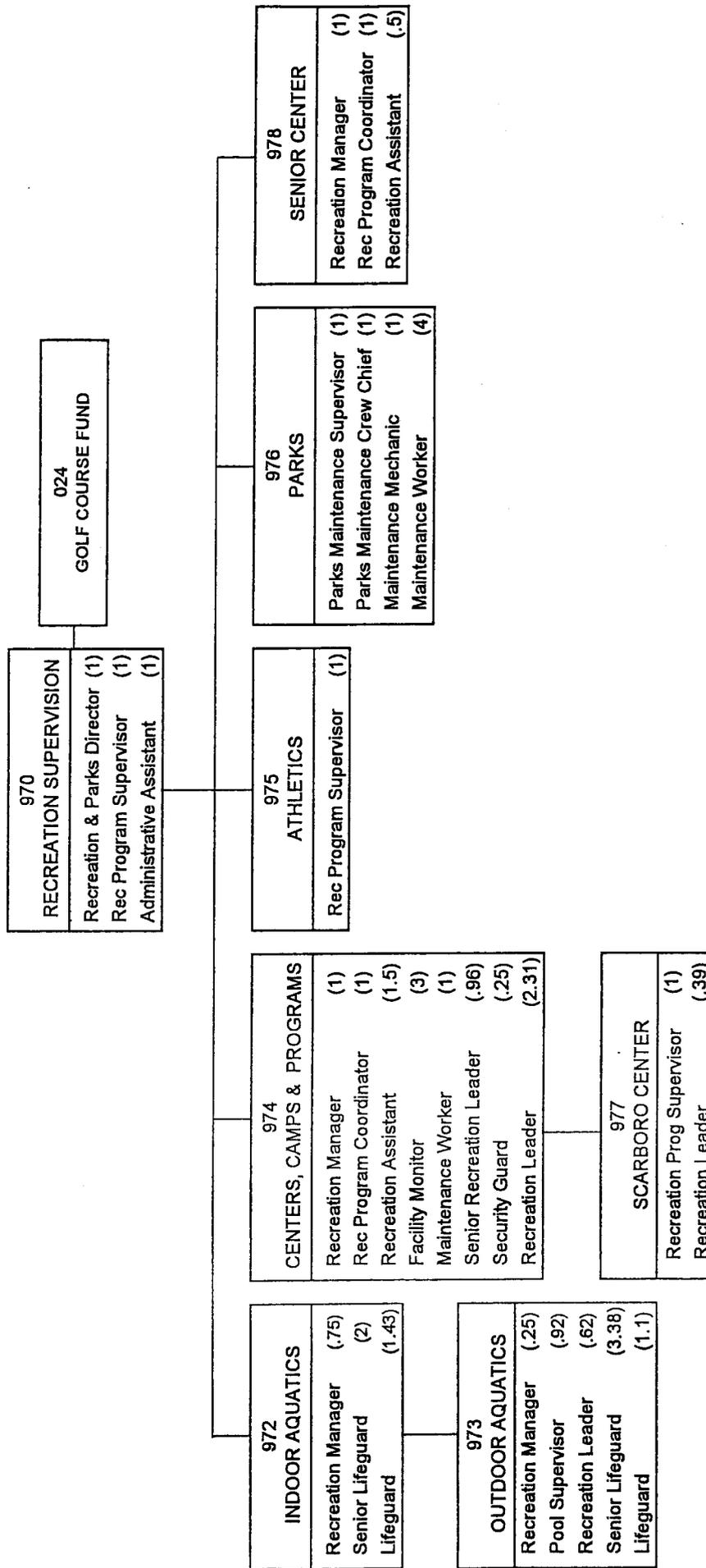
PUBLIC WORKS DEPARTMENT



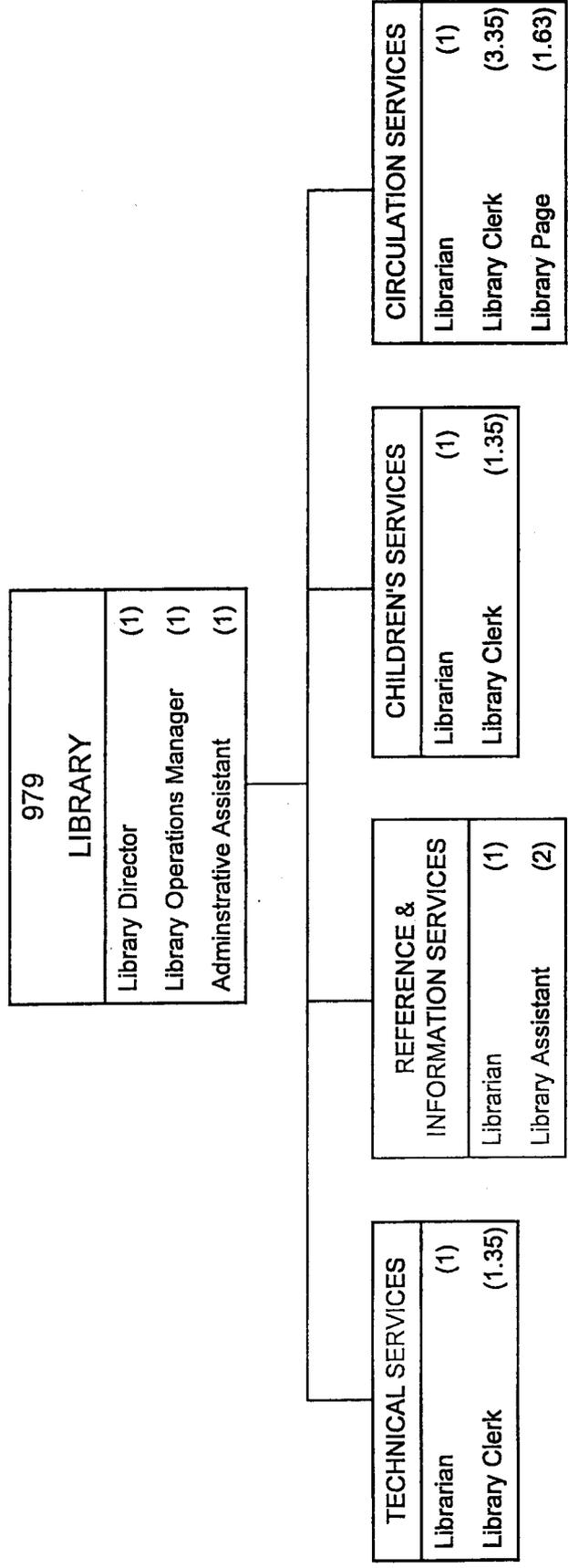
COMMUNITY DEVELOPMENT DEPARTMENT



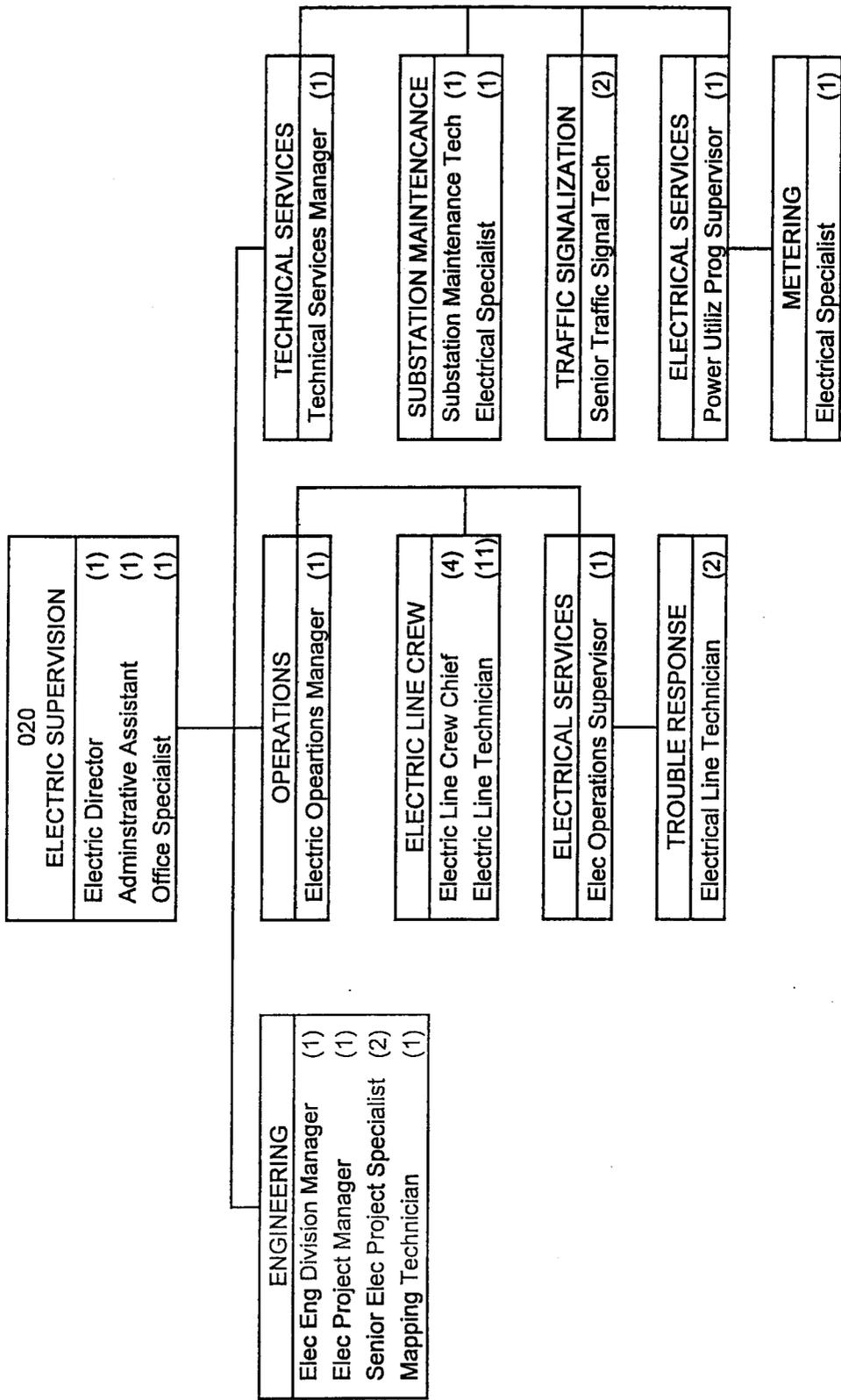
RECREATION AND PARKS DEPARTMENT



LIBRARY



ELECTRIC DEPARTMENT







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Budget Message

BUDGET MESSAGE

This section, beginning on page I-29, contains the City Manager's proposed budget message to City Council. The budget message outlines the parameters used by staff to prepare the fiscal 2005 budget. City Council instructed the City Manager to present a fiscal 2005 proposed budget that supported the strategic objectives outlined in the *Oak Ridge City Council Strategic Plan, The Path Forward 2003-2007*, the *Multiyear Budget Model Assumptions* and *Budget and Finance Major Initiatives*. The *Oak Ridge City Council Strategic Plan, The Path Forward 2003-2007* was adopted by City Council on October 2, 2002 and begins on page I-35 of this document. The *Multiyear Budget Model Assumptions* and *Budget and Finance Major Initiatives* were adopted by City Council on February 3, 2003 and are presented on pages I-42 to I-44 of this document.

The City Manager's budget message presents an overview of the budgeted revenues, expenditures and operating transfers of the General Fund and details the primary changes in those budgeted amounts from the prior fiscal year. Budget deliberations primarily focus on the General Fund since the operations and transfers of that Fund are supported by the property tax rate, which is adopted at final reading of the budget. In the budget message, the City Manager discusses the impact of local economic conditions on the property tax rate, planned technology improvements and funding for economic development endeavors. There were no amendments by City Council to the proposed budget ordinance and the property tax rate remained at the fiscal 2004 rate of \$2.87 per \$100 of assessed valuation.



TENNESSEE

CITY OF OAK RIDGE
MUNICIPAL BUILDING
POST OFFICE BOX 1 37831-0001
TELEPHONE: (865) 425-3550
FAX: (865) 425-3420

March 10, 2004

Honorable Mayor and
Members of City Council
City of Oak Ridge
Oak Ridge, Tennessee

Dear Mayor and Members of Council:

The city staff is pleased to present the proposed operating and capital budget for fiscal year 2005 beginning July 1, 2004, and ending June 30, 2005, for your review and consideration. This budget has been developed in accordance with the City Charter, applicable city ordinances, state and federal laws, and city policies and procedures.

The proposed budget combines our exceptionally high-quality and distinctive service levels with public affordability and no property tax rate increase. No programs have been reduced or eliminated in this proposed budget, while the City's snow removal program has been enhanced when compared to last year. We believe that City Council and the public will appreciate the investment value offered.

The development of the budget is guided by the broad operating parameters established by City Council, including:

- Oak Ridge City Council Strategic Plan, *The Path Forward 2003-2007* -- Where the strategic objective to help Oak Ridge become an exceptional place for all to live, work and visit is established along with the supporting critical outcomes both operationally and financially.
- Oak Ridge Budget and Finance Major Initiatives -- Where the major initiatives necessary to achieve a tax rate in the 75th percentile of benchmarked cities are established.
- Multiyear Budget Management Plan -- Where the maintenance of adequate fund balance with accompanying projected tax rates are forecasted based on the major initiatives adopted by City Council.
- Compensation Philosophy and Policy -- Where the Pay Plan will be adjusted in an amount that does not exceed the current rate of wage inflation for government employees;
- Operational Budget Policies on Personnel Actions -- Where the city will attempt to avoid layoffs and will attempt, whenever possible, to achieve reductions-in-force through attrition; and

The Proposed Fiscal Year 2005 General Fund Budget of \$33,447,856 has been developed within the established operating parameters and reflects a sound work plan that continues the tradition of high-quality municipal services to the community. The budget is comprised of \$14,831,115 for municipal operations and \$18,616,741 in operating transfers.

Revenues

General Fund revenues, other than property taxes, are budgeted to increase as shown in the following table.

MUNICIPAL REVENUES	BUDGET FY 2004	BUDGET FY 2005	DOLLAR CHANGE	PERCENT CHANGE
Property Tax	\$ 15,270,000	\$ 15,517,000	\$ 247,000	1.62%
Local Sales Tax	7,125,000	7,299,000	174,000	2.44%
State Shared Taxes	2,216,760	2,274,000	57,240	2.58%
Other Property Tax - Utilities	2,546,000	2,548,482	2,482	0.10%
Fund Balance	273,944	250,442	(23,502)	-8.58%
Business Taxes	1,838,000	1,893,000	55,000	2.99%
Charges for Services	1,392,621	1,397,437	4,816	0.35%
Dept. of Energy (PILT)	1,273,952	1,266,995	(6,957)	-0.55%
Other - Int., Misc & CATV	447,500	442,500	(5,000)	-1.12%
Fines	319,000	339,000	20,000	6.27%
License and Permits	215,000	220,000	5,000	2.33%
Total	\$ 32,917,777	\$ 33,447,856	\$ 530,079	1.61%

Revenues from state-shared taxes are budgeted to increase by \$57,000. This is a significant change from last year when the State of Tennessee voted to reduce state shared revenues by 9 percent.

There are some bright spots in the local economy that will help revenues in the very near future. The construction of the Spallation Neutron Source (SNS) and the modernization of Y-12 provide optimism for the future. The development of Willow Place and Rarity Ridge and the proposed development of Centennial Village indicate that there is a residential interest in Oak Ridge. These developments will provide a much needed diversity of housing products to the market. The ongoing redevelopment plan by Knoxville Community Development Corporation is an important step in upgrading some of the City's older housing stock. The proposed redevelopment of the Oak Ridge mall and some of the surrounding area shows that there is a renewed interest in the commercial sector of Oak Ridge.

Property Tax Rate

Funding of the proposed General Fund budget of \$33,447,856 is achieved by maintaining the current property tax rate of \$2.87 per one hundred dollars of assessed valuation. Maintenance of the current property tax rate can be achieved by the growth in sales tax collections shown above, as well as the \$285,796 increase in General Property Tax collections directly attributable to the construction of the new facilities at ORNL by UT-Battelle.

With an established critical outcome of a tax rate in the 75th percentile by July 1, 2007, maintaining or lowering the tax rate in each year is critical for the next four years in order to achieve this outcome.

Fund Balance

The projected fund balance draw for FY 2005 is \$250,442 and maintains a combined City and School fund balance of over \$6,000,000. The City has been able to maintain this level of Fund Balance despite spending in excess of \$40,000,000 for capital assets that were not envisioned by the original "SCORE" plan. In addition, to avoid even more borrowing, funding from the General Fund has been established for capital maintenance at \$1,080,000 annually and street resurfacing at \$510,000 annually. Debt service and funding for these for these capital expenditures is equivalent to nearly 75 cents on the property tax rate.

Expenditures

Municipal expenditures for operations were held to the council adopted budget guideline of 3.5 percent or \$505,839 above the FY 2004 level. The primary reasons for this change are increases in the City's merit system, retirement, and insurances as shown below.

• Wages increase (3% merit)	\$274,000
• Retirement	128,000
• Liability	33,000
• Medical	26,000
• Property Insurance	17,000
• Workers Compensation	16,000
• Other (Utilities & Maintenance)	12,000
Total	\$506,000

The School's FY 2005 transfer request increased by \$540,299 or 5.08 percent. Changes in General Fund expenditures and transfers are shown below:

	BUDGET 2004	BUDGET 2005	DOLLAR CHANGE	PERCENT CHANGE
<u>MUNICIPAL EXPENDITURES:</u>				
Police	\$ 4,159,555	\$ 4,370,685	\$ 211,130	5.08%
Fire	3,284,737	3,460,232	175,495	5.34%
Recreation and Parks	2,257,372	2,285,842	28,470	1.26%
Public Works	1,630,297	1,689,855	59,558	3.65%
Library	1,085,409	1,113,265	27,856	2.57%
Administrative Services	739,335	702,442	(36,893)	-4.99%
General Government	671,924	693,704	21,780	3.24%
Community Development	496,647	515,090	18,443	3.71%
Total Municipal Expenditures	\$ 14,325,276	\$ 14,831,115	\$ 505,839	3.53%
<u>OTHER FINANCING USES:</u>				
Operating Transfers Out:				
Oak Ridge Schools	\$ 10,646,242	\$ 11,186,541	\$ 540,299	5.08%
General Fund Debt Service	4,034,485	4,035,550	1,065	0.03%
Solid Waste Fund	1,108,510	1,110,650	2,140	0.19%
Capital Projects Fund	1,057,000	1,080,000	23,000	2.18%
Economic Diversification Fund	679,764	694,000	14,236	2.09%
Street Funds	566,500	510,000	(56,500)	-9.97%
Golf Course Fund	500,000	0	(500,000)	-100.00%
Total Other Financing Uses	\$ 18,592,501	\$ 18,616,741	\$ 24,240	0.13%
TOTAL GENERAL FUND				
	\$ 32,917,777	\$ 33,447,856	\$ 530,079	1.61%

Technology Improvement

Again, technological improvement continues in FY 2005. While major technological advancement has taken place, considerable technological improvement is still necessary. Through improved technology, human and financial resources will be released from routine report preparation and file management resulting in more effective public services. Major technological initiatives will continue in FY 2005.

As you may recall, the city joined with the property assessors of Anderson and Roane counties, as well as other entities within the counties, in the joint implementation of a Geographic Information System (GIS). The system now provides the opportunity to combine spatial information (maps) with electronic databases to more effectively manage and evaluate various planning, development, and maintenance projects. Property tax information and utility information is now available on the web with this system.

Work on electronic records management systems continues in FY2005 to preserve legally required records, as well as ease their search. Maintenance of paper records has become increasingly expensive in terms of climate controlled storage space, human resources and management. It is also increasingly difficult to research these records in terms of their volume alone, not to mention the fact that they are stored in various facilities throughout the city.

The first phases of this project include: web enabled council packets, (the City is one of the few that provides this service to the community); and the City's Tax billing information, utility billing information, budgets, and financial reports are now on the web. In fact, this document, along with the supporting detail schedules, is available on the web.

Economic Development Agencies

The Economic Diversification Fund has been revamped to reflect the broadened approach to tax base enhancement. Funding has been provided to enhance residential, commercial and industrial development through efforts to stimulate tax base growth in Oak Ridge for all revenue categories.

Funding has been proposed in the FY 2005 Budget for several agencies that provide economic development and tourism-related services to the city including the Oak Ridge Convention and Visitors Bureau (CVB), the Chamber of Commerce, the East Tennessee Economic Development Agency, Melton Hill Regional Industrial Development Association (MHRIDA), and The Roane Alliance.

For the CVB, \$334,000 is proposed for operation in FY 2005, a \$52,058 increase over 2004 funding levels. This is the amount requested by the CVB and equates to 91 percent of the actual collections of Hotel/Motel taxes in fiscal 2003.

For the Chamber of Commerce, \$201,765 in funding is included in FY 2005. The programmatic emphasis of the Chamber continues to be directed toward marketing and economic development opportunities that will create a diversified local economy.

Funding for the Baker, Donelson contract and other legal services is budgeted at \$155,000, MHRIDA is budgeted at \$15,000, and The Roane Alliance is budgeted at \$10,000 for FY 2005. These amounts are unchanged from FY 2004.

Operational funding for an economic development director is also included in this fund. The Economic Diversification Fund is projected to have a fund balance of over \$2.7 million at the end of FY 2004.

Staffing

A total of 348.64 staff years is included in the Personnel Schedule for FY 2005, the same as FY 2004. This achieves the budget initiative of adding no new staff unless the addition reduces expenditures while enhancing our ability to achieve the housing and quality of life critical outcomes outlined in the Strategic Plan.

Salaries and Benefits

Merit pay has been budgeted at \$274,000 or 3 percent of payroll. This amount will provide adequate funding for merit raises in the first quarter of FY 2005 that could range from 0 to 6 percent depending on performance evaluations. No cost of living raises will be granted to city employees.

Employee benefits included in the proposed FY 2005 are maintained at the same levels as FY 2004. Medical insurance rates continue to increase in an amount greatly exceeding inflation nationwide. The city's premiums have increased 30 percent in 2002, 25 percent in 2003, 15 percent in 2004, and are projected to increase 20 percent in 2005. Medical insurance accounts for approximately 8.5 percent of the total Municipal operations budget. Retirement rates also increased significantly which added over \$230,000 to the budget. \$102,000 of this amount is being deferred to the FY 2006 through the use of insurance fund reserves.

Other Agencies and Boards

FY 2005 funding for Social Service programs provided by Aid to Distressed Families of Appalachian Counties (ADFAC) is proposed at \$136,500 and \$31,850 for the Anderson County Health Council for the Healthy Start program. The recommended contribution is unchanged from last year.

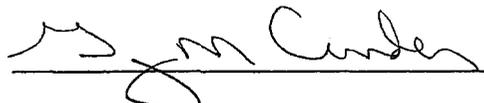
For the Arts Council and Youth Advisory Board \$9,500 and \$9,000, respectively, are proposed in the FY 2005 budget. This is same funding level as the previous year.

Recognition and Thanks

The development of the budget is a significant project undertaken each year by staff, requiring the support and effort of many city staff in all departments. Many City employees play crucial roles in the research, preparation, and completion of the various budget related documents for which thanks are made. Without their assistance this document would not be possible.

It is my honor to present the FY 2005 Proposed Budget for your consideration. All city staff stand ready to assist you in the careful deliberation of this work plan to meet the long-term goals and objectives of the city.

Respectfully submitted,



Gary M. Cinder
Interim City Manager



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Strategic Plan

STRATEGIC PLAN

On October 7, 2002, Oak Ridge City Council adopted a five-year strategic plan to accomplish the goals "To help Oak Ridge become an exception place for all to live, work and visit". The plan resulted in a consensus by Council to focus on the key areas of property tax rate, housing, economic development and quality of life. The *Oak Ridge City Council Strategic Plan, The Path Forward, 2003-2007*, begins on page I-36 of this document.

City Council's Budget and Finance Committee developed the *Multi-Year Budget Model Assumptions* and the *Budget and Finance Major Initiatives* to accomplish the critical outcomes identified in the Strategic Plan. The Committee's recommendations were adopted by City Council on February 3, 2003 and are contained on pages I-42 to I-44 of this document. Some of the assumptions and initiatives were specific to the fiscal 2004 budget, however the overall guidance strategies are applicable to the 2004 to 2007 budgets.

The strategies from City Council as outlined in these three plans were the foundation used by City staff to prepare the fiscal 2005 proposed budget that was presented to City Council for adoption. The multi-year budget model, which is referenced in the Multi-Year Budget Model Assumptions, was designed as a tool to guide long-range planning for the City's General Fund and to establish the proposed property tax rate during the budget review process. The multi-year model and its assumptions are contained in Section II of this document.

RESOLUTION

WHEREAS, the Oak Ridge City Council has met in special work sessions on October 20, 2001, November 26, 2001, January 5, 2002, and September 9, 2002 in an effort to develop a strategic plan for the City of Oak Ridge; and

WHEREAS, development of the strategic plan was based on the vision statement "To help Oak Ridge become an exceptional place for all to live, work and visit;" and

WHEREAS, the meetings resulted in a consensus to focus on the key areas of property tax rate, housing, economic development and quality of life; and

WHEREAS, a strategic plan, titled "Oak Ridge City Council Strategic Plan, The Path Forward, 2003-2007," has been developed with the assistance of Johnnie Cannon, Director, Strategic Planning, Oak Ridge National Laboratory; and

WHEREAS, said plan, which describes the focus of the City for the next four years, is based on the key areas determined by the Oak Ridge City Council.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCILMEN OF THE CITY OF OAK RIDGE, TENNESSEE:

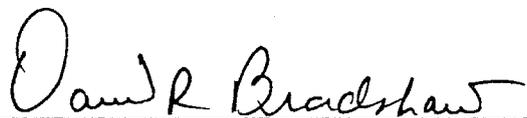
That the attached strategic plan, titled "Oak Ridge City Council Strategic Plan, The Path Forward, 2003-2007," is hereby approved.

This the 7th day of October 2002.

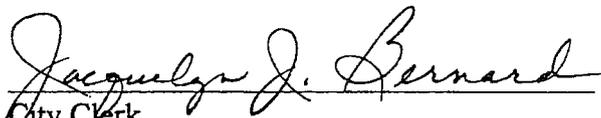
APPROVED AS TO FORM AND LEGALITY:



City Attorney



Mayor



City Clerk

Oak Ridge City Council Strategic Plan
The Path Forward, 2003-2007

Introduction

The Oak Ridge City Council has prepared this strategic plan to help define a path forward for the City of Oak Ridge. This plan is driven by the vision of the citizens of Oak Ridge, which is "To help Oak Ridge become an exceptional place for all to live, work, and visit." The City Council fully intends to use this plan to set its agenda.

To this end, the City Council met several times and forged a consensus on what needs to be achieved over the next four years (the planning horizon) and how this might best be accomplished. Specifically, as shown in the diagram below, critical outcomes were selected for the key areas of property tax rate, housing, economic development, and quality of life. A measurable outcome was established for each of these areas. Also, major initiatives were identified to address these critical outcomes as a whole, with some initiatives contributing to multiple outcomes. In the near future, the City Council will have plans developed to implement these initiatives.

Oak Ridge City Council Agenda

Strategic Objective	To help Oak Ridge become an exceptional place for all to live, work, and visit
Critical Outcomes	Competitive Property Tax Rate Competitive Housing Stock Effective Economic Development Enhance Quality of Life
Major Initiatives	Aggressive Economic Development Expanded Revenue Streams Fiscal Responsibility Comprehensive Housing Study Development of New Housing Rehabilitation of Existing Housing Enhancement of Community Resources and Education

Critical Outcomes

Competitive Property Tax Rate

Oak Ridge will achieve a property tax rate that does not exceed the 75th percentile of comparable benchmarked cities by July 1, 2007.

- Oak Ridge property tax rate is high relative to comparable Tennessee cities
- Over one-third of the land is tax exempt
- Property tax in Oak Ridge has shown an upward trend
- Sales tax collections have been flat

Competitive Housing Stock

Each year for the next four years, Oak Ridge will increase new housing starts by 25% and the value of housing rehabilitation/redevelopment by 20%.

- Most of the Oak Ridge work force (80%) lives outside the city
- Only 10% of persons hired to work here have elected to live in Oak Ridge in the last few years. West Knoxville is the city's main competitor
- To attract young families, Oak Ridge needs more moderately priced new housing
- Of the existing housing stock, 42% is either renter occupied or vacant
- Aging housing stock represents both a potential liability and a potential asset

Effective Economic Development

Oak Ridge will achieve a growth rate of 5% per year in sales tax revenues over the next four years.

- Shifts in Federal funding levels have been detrimental to stability and growth
- Council adopted a policy to decrease dependency on the Federal government relative to employment from 80/20 to 50/50
- Private investment is needed to help support and diversify the economic base
- Housing starts and car sales are major contributors to economic development in this area
- Oak Ridge merchants need to attract more shoppers to their stores

Enhance Quality of Life

Oak Ridge will continue to enhance the quality of life in its neighborhoods and the city as a whole as determined by a periodic comprehensive survey.

- Oak Ridge is a superb community in which to live, work, or visit
- It is a safe community compared with large metropolitan areas
- The system of greenways (green spaces, greenbelts, etc.) being developed is positive
- Schools will continue to provide excellent educational opportunities
- There is a wealth of cultural resources and good ethnic and religious diversity
- Some negative perceptions about the area need to be addressed

Initiatives

Aggressive Economic Development

- Shift the Chamber's primary focus from industrial recruitment to retail recruitment, including a regional retail marketing campaign
- Support development of incentives to encourage new retail development and to attract consumers to Oak Ridge businesses
- Promote redevelopment activities of the mall property that increase the city's tax base
- Support full funding for the modernization at the BWXT Y-12 Plant and ORNL
- Support the development of \$20,000,000 of industrial construction
- Support the establishment of the American Museum of Science and Energy as a "Destination Attraction" in the East Tennessee area
- Encourage DOE to transfer Horizon Center (ED-1) in fee simple
- Encourage DOE to transfer other properties for industrial development
- Implement the recommendations of the Fluor Global Location Strategies study
- Encourage TVA to make improvements to its Clinch River site in order to enhance the opportunity for development

Critical Outcomes Supported: *Economic Development,
Property Tax Rate,
Quality of Life*

Expanded Revenue Streams

- Initiate legislative change to base property tax exemption on use rather than ownership
- Increase DOE payment in lieu of taxes (PILT) under the special burden clauses in the Atomic Energy Act of 1954
- Facilitate transfer of DOE property to taxpayers to increase self-sufficiency
- Seek renewal of federal assistance payments

Critical Outcome Supported: *Property Tax Rate*

Fiscal Responsibility

- The management staffs of the City of Oak Ridge and the Oak Ridge School System will annually review their respective expenses with a goal to reduce the cost of delivering services without any reduction to the quality of services provided

Critical Outcome Supported: Property Tax Rate

Comprehensive Housing Study

- The availability of affordable housing is a serious issue for Oak Ridge. Only about 10% of persons hired to work in Oak Ridge elect to live here. In the central city, much of the housing stock is more than 50 years old. Redevelopment of some these older neighborhoods is an attractive option because the infrastructure that would have to be installed in a new development is already in place. A comprehensive housing study will be performed taking these and other factors into consideration. Plans will be developed to address the housing needs of Oak Ridge

Critical Outcomes Supported: *Housing,
Quality of Life*

Development of New Housing

- Support cost-effective infrastructure development
- Support the sale of remaining Parcel A land to home builders at a price that will generate \$300,000 per year in sales revenue
- Encourage DOE to release an additional 200 acres of land adjacent to Wisconsin Avenue
- Support direct assistance programs for new home buyers
- Encourage development of a broad mix of new housing stock in the range of \$90,000 to \$300,000

Critical Outcomes Supported: *Housing,
Quality of Life*

Rehabilitation of Existing Housing

- Support the implementation of the model plans program for housing improvement
- Provide a two-year property tax abatement for increased value of improved housing
- Assist in providing low-interest loans for housing rehabilitation
- Increase the percentage of owner-occupied houses
- Encourage home ownership with direct financial assistance to those investing \$25,000 or more in building improvements
- Promote employer-assisted housing

Critical Outcomes Supported: *Housing,
Quality of Life*

Enhancement of Community Resources and Education

- Promote the growth of neighborhood associations
- Become a regional tournament destination (rowing, softball, soccer, golf, etc.)

- Protect greenbelts and other undesignated open spaces
- Encourage evaluation of school facilities needs for the next 20 years

Critical Outcome Supported: Quality of Life

Strategic Planning Task Force

Oak Ridge City Council

- Leonard A. Abbatiello
- Thomas L. Beehan
- David R. Bradshaw, Mayor
- Ray N. Evans, Jr.
- Willie Golden, Jr.
- A.J. "Jerry" Kuhaida, Jr.
- David N. Mosby

Oak Ridge City Manager

- Paul C. Boyer, Jr.

UT-Battelle Loaned Executive

- Johnnie B. Cannon

Comments or questions regarding this strategic plan may be submitted electronically to the Oak Ridge City Council using the following e-mail address: CCouncil@corn.org

RESOLUTION

WHEREAS, by Resolution No. 10-130-02, City Council adopted the Oak Ridge City Council Strategic Plan, *The Path Forward: 2003-2007*; and

WHEREAS, by Resolution No. 11-152-02, City Council created a new Budget and Finance Committee whose mission is driven by said Strategic Plan, with a focus on the Critical Outcomes identified in the Plan as *Competitive Property Tax Rate* and *Expanded Revenue Streams* by addressing the "Major Initiatives" identified as *Fiscal Responsibility* and *Expanded Revenue Streams*; and

WHEREAS, in fulfillment of its mission, the Budget and Finance Committee has developed revised multi-year budget model assumptions and proposed budget and finance major initiatives to accomplish the critical outcomes identified in the Strategic Plan; and

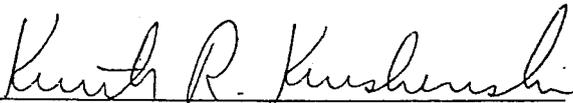
WHEREAS, the Budget and Finance Committee recommends the adoption of said multi-year budget model assumptions and budget and finance major initiatives.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCILMEN OF THE CITY OF OAK RIDGE, TENNESSEE:

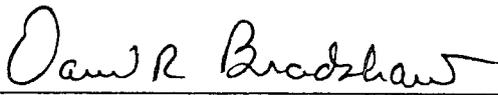
That the recommendation of the Budget and Finance Committee is approved and the attached *Multi-Year Budget Model Assumptions* and *Budget and Finance Major Initiatives*, dated February 3, 2003, are hereby adopted as policy for accomplishing the Critical Outcomes of the Oak Ridge City Council Strategic Plan, *The Path Forward: 2003-2007*.

This the 3rd day of February 2003.

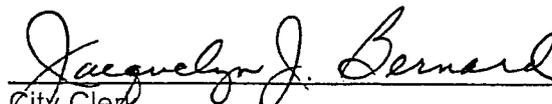
APPROVED AS TO FORM AND LEGALITY:



City Attorney



Mayor



City Clerk

Multi-Year Budget Model Assumptions

February 3, 2003

1. The Department of Energy approves the requested PILT increase that generates \$409,000 in new revenue that is equivalent to seven cents (7¢) on the tax rate.
2. The \$800,000 property tax payment from UT-Battelle begins in FY 2004.
3. The municipal operations budget and the transfer to the Schools are frozen at the FY 2003 level for FY 2004.
4. The imbedded inflation rate of 3.5% is reflected in the projected increases in the municipal operations budget and the transfer to the Schools for FY 2005-2007.
5. No reduction in any state payments or shared revenue to either the City or the Schools for FY 2004-2007.
6. Modest, but reasonable assessment base (2.0% -> 3.5%) and sales tax growth (2.5%) during the period.
7. \$200,000 in direct marketing money is removed from the Economic Diversification Fund.
8. The employee share of medical insurance premiums is increased.
9. Refinancing of variable rate debt to fixed rate to remove risk.
10. The proposed TVA rate increase of 8.1% is included and prevents a tax rate reduction of one cent (1¢).
11. No major new capital projects (School Administration Building, Preschool, Senior Center, new fire stations) are included in this model.
12. The FY 2007 tax rate *Critical Outcome* cannot be achieved without limitations on City and Schools' expenditures.

Adopted by Resolution No. 2-14-03

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Ordinance

Budget and Finance Major Initiatives

February 3, 2003

1. Allow no borrowing for new General Fund capital projects until FY 2006. From FY 2006 to FY 2013, consider only "balanced borrowing." "Balanced borrowing" is defined as borrowing which will not increase the property tax rate.
2. Beginning in FY 2003, fund General Fund capital maintenance projects with balanced borrowing. Should balanced borrowing be insufficient to fund the scheduled capital maintenance projects, projects will be postponed until adequate borrowing capacity exists.
3. Upon verification of available funding, the City Manager shall issue a notice to proceed to the Superintendent of Schools authorizing expenditure of funds as approved by City Council during the budget or bonding process.
4. Beginning in FY 2006, budget adjustments identifying new General Fund revenue or equivalent expenditure reductions, currently estimated to be \$3,000,000, shall be implemented in order to achieve a property tax rate in the 75th percentile of benchmarked cities by July 1, 2007.
5. Expenditure reductions shall come first from any major component of the General Fund budget requesting an increase. In FY 2004, any additional expenditure reductions shall be shared equally among the major components of the General Fund in the ratio of 44.3% from Municipal Operations, 24.9% from Transfers & Contracts, and 31.6% from Schools Transfers. Future percentages for reductions shall be based on the prior year's adopted budget.
6. Unfunded mandates or other unanticipated revenue losses must be borne by the impacted budget component unless balancing revenues are identified.
7. Service reductions in non-public safety areas, including Transfers and Contracts, shall occur before reductions in public safety core service delivery.
8. No new staffing shall be added through FY 2007 unless the addition of staff reduces overtime expenditures in a like amount.
9. If the \$409,000 PILT request from the Department of Energy is not approved by April 15, 2003, then FY 2004 budget expenditures will be reduced by a like amount.

Adopted by Resolution No. 2-14-03

TITLE

AN ORDINANCE TO PROVIDE REVENUE FOR MUNICIPAL PURPOSES FOR THE FISCAL YEAR BEGINNING JULY 1, 2004, BY IMPOSING A TAX ON ALL PROPERTY WITHIN THE CITY, FIXING THE RATE OF THE TAX, ADOPTING A BUDGET, AND ADOPTING APPROPRIATIONS.

WHEREAS, the City Manager, in accordance with the requirements of Article V, Section 11, of the Charter of the City of Oak Ridge, has submitted to City Council a proposed budget ninety (90) days prior to the beginning of the fiscal year upon which a public hearing was held on March 22, 2004 as required by law; and

WHEREAS, in accordance with the requirements of the same Charter section, the Council held meetings on November 7, 2003, January 12, 2004, and February 9, 2004, to provide guidance to the City Manager on the preparation of the proposed budget.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCILMEN OF THE CITY OF OAK RIDGE, TENNESSEE:

Section 1. The budget for the fiscal year beginning July 1, 2004, submitted to City Council by the City Manager, is hereby adopted.

Section 2. In order to provide revenue for municipal purposes, there is hereby imposed on the value of all property within the City of Oak Ridge as such value has been ascertained by the taxing authority of the City, a levy at the rate of \$2.87 upon each One Hundred Dollars' (\$100.00) worth of assessed value of all taxable property, this levy to be the tax rate for the year 2004. This levy shall also be imposed upon such assessments as may be certified for tax purposes to the City of Oak Ridge by the Public Service Commission of the State of Tennessee.

Section 3. In accordance with Article V, Section 14, of the Charter of the City of Oak Ridge, the following amounts shall be and hereby are adopted as appropriations by funds for the operation of the City of Oak Ridge, Tennessee, for Fiscal Year 2005:

General Fund, Municipal Operations	\$14,831,115
Debt Service (Bond and Interest Redemption Fund)	5,235,550
State Street Aid Fund	1,444,610
Streets and Public Transportation Fund	266,000
Drug Enforcement Program Fund	98,450
Grant Fund	3,484,784
General Purpose School Fund	42,422,415
Capital Projects Fund	6,897,624
Solid Waste Fund	1,801,450
Economic Diversification Fund	3,167,096

Section 4. The following amounts in the proprietary-type funds are projected expenses for Fiscal Year 2005 and are provided for informational purposes:

Electric Fund	\$38,228,319
Waterworks Fund	13,755,303
Emergency Communications District Fund	390,000
Golf Course Fund	1,656,131

Section 5. In order to provide funds to meet the expenditure requirements, the following transfers are projected for Fiscal Year 2005 and are provided for informational purposes:

<u>To General Purpose School Fund for Operations</u>	
From General Fund	\$11,186,541



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Budget Overview

<u>To Debt Service Fund</u>		
From General Fund		\$ 4,035,550
From Capital Projects Fund		200,000
 <u>To Economic Diversification Fund</u>		
From General Fund		\$ 694,000
From Electric Fund		140,300
From Waterworks Fund		116,900
 <u>To State Street Aid Fund</u>		
From General Fund		\$ 500,000
 <u>To Streets and Public Transportation Fund</u>		
From General Fund		\$ 10,000
 <u>To Solid Waste Fund</u>		
From General Fund		\$ 1,110,650
 <u>To Capital Projects Fund</u>		
From General Fund		\$ 1,080,000

Section 6. All proceeds received through fines, forfeitures and the disposal of seized goods resulting from the City's drug enforcement program shall be used exclusively for that program. A Special Revenue Fund has been established and any funds expended will be limited to the funds collected for that program.

Section 7. The taxes levied under this Ordinance shall become due and payable, shall become delinquent and shall be subject to penalties, the execution of distress warrants and sale of property levied upon as provided by law.

Section 8. The levy provided for herein shall be imposed on all taxable property as the same has been reported to the Council as a final total assessment of each class of property by the legally constituted Boards of Equalization for property situated in either Anderson County or Roane County within the City of Oak Ridge. The written report of the Equalization Boards shall be the assessment roll of the City of Oak Ridge.

Section 9. This Ordinance shall become effective ten (10) days after adoption on second reading, the welfare of the City of Oak Ridge requiring it.

APPROVED AS TO FORM AND LEGALITY:

Keith R. Kuschenski
City Attorney

Dan R. Bradshaw
Mayor

Jacquelyn J. Bernard
City Clerk

Public Hearing: 3/22/04
 First Reading: 3/22/04
 Publication Date: 3/29/04
 Second Reading: 4/19/04
 Publication Date: 4/26/04
 Effective Date: 4/29/04

BUDGET OVERVIEW – ALL FUNDS

Governmental accounting standards require the City to organize its accounts into Funds, each of which is considered a separate accounting entity. The City's resources are allocated to and accounted for in individual Funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds utilized by the City are categorized into two broad Fund categories, Governmental and Proprietary.

Governmental Funds are grouped into four generic Fund types: General, Debt Service, Special Revenue and Capital Projects Funds. The budgeted expenditures, exclusive of operating transfers to other Funds, for each Governmental Fund is approved by City Council as the legal appropriation for that Fund. Expenditures cannot exceed the legally adopted appropriation at the Fund level. The City Manager is authorized to transfer budgeted amounts between departments within any Fund; however, any revisions that alter the total expenditures of any Governmental Fund must be approved by City Council. Outlined below are the City's Governmental Funds:

General Fund

Debt Service Fund

Special Revenue Funds:

General Purpose School Fund

Drug Enforcement Program Fund

State Street Aid Fund

Streets and Public Transportation Fund

Capital Projects Fund

Economic Diversification Fund

Grant Fund

Solid Waste Fund

Proprietary Funds are grouped into two generic Fund types: Enterprise and Internal Service Funds. Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost-reimbursed basis. Outlined below are the City's Proprietary Funds:

Enterprise Funds:

Electric Fund

Waterworks Fund (Water and Wastewater Treatment and Distribution Operations)

Emergency Communications District Fund

Golf Course Fund

Internal Service Funds:

Equipment Replacement Rental Fund

Insurance Fund

Due to external influences beyond the City's control, actual expenses may vary either higher or lower than projected budgeted expenses in the City's Proprietary Funds. Factors such as weather patterns, mild or severe summers or winters, rainfall or drought conditions, unusual maintenance requirements such as replacement of downed electric lines or water line breaks, quantity of insurance claims, etc. effect the level of expenses of these Funds. The budgeted expenses for the City's Proprietary Funds are therefore not legally appropriated and are presented for informational purposes to show operational projections for the remaining major Funds of the City.

Fiscal 2005 Appropriation Ordinance

A summary of the revenues and expenditures for all City Funds is presented on page I-49. Individual Fund schedules contained throughout this document provide comparisons between the fiscal 2004 and 2005 budgeted expenditures/expenses, as well as actual 2003 and projected 2004 expenditures/expenses for each Fund.

City Council has directed the City Manager to present a proposed budget that supports current council policies. Any additional programs or major modifications recommended by the City Manager are presented separately in the Major Budgetary Recommendations Report (MBR) document that is distributed to City Council during budget deliberations. An MBR was not issued for fiscal 2005, as there were no additional recommended modifications. On October 7, 2002, Oak Ridge City Council adopted a five-year strategic plan to accomplish the goals "To help Oak Ridge become an exception place for all to live, work and visit". The plan resulted in a consensus by Council to focus on the key areas of property tax rate, housing, economic development and quality of life. The *Oak Ridge City Council Strategic Plan, The Path Forward, 2003-2007*, begins on page I-36 of this document.

City Council's Budget and Finance Committee developed revised Multi-Year Budget Model Assumptions and proposed Budget and Finance Major Initiatives to accomplish the critical outcomes identified in the Strategic Plan. The Committee's recommendations were adopted by City Council on February 3, 2003 and are contained on pages I-42 to I-44 of this document. The committee's adopted recommendations were incorporated by City Council into the fiscal 2005 budget. Some of the assumptions and initiatives were specific to the fiscal 2004 budget, however the overall guidance strategies are applicable to the 2004 to 2007 budgets. The multi-year budget model, which is referenced in the Multi-Year Budget Model Assumptions, was designed as a tool to guide long-range planning for the City's General Fund and to establish the proposed property tax rate during the budget review process. The multi-year model and its assumptions are contained in Section II of this document. City Council made no amendments to the City Manager's proposed budget. The budget appropriation ordinance as adopted by City Council begins on page I-45 of this document. Outlined below is a comparison of the final budgeted expenditures/expenses from the fiscal 2004 and fiscal 2005 appropriation ordinances by Fund.

<u>Fund</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>Change</u>	
			<u>Dollars</u>	<u>Percent</u>
General Fund Municipal Operations	\$ 14,325,276	\$ 14,831,115	\$ 505,839	3.5
Debt Service Fund	5,234,485	5,235,550	1,065	0.0
General Purpose School Fund	41,351,306	42,422,415	1,071,109	2.6
Drug Enforcement Program Fund	98,450	98,450	0	0.0
State Street Aid Fund	1,581,290	1,444,610	(136,680)	(8.6)
Street & Public Transportation Fund	208,000	266,000	58,000	27.9
Economic Diversification Fund	3,021,655	3,167,096	145,441	4.8
Grant Fund	4,700,881	3,484,784	(1,216,097)	(25.9)
Solid Waste Fund	1,794,510	1,801,450	6,940	0.4
Capital Projects Fund	7,345,500	6,897,624	(447,876)	(6.1)
Electric Fund	38,699,016	38,228,319	(470,697)	(1.2)
Waterworks Fund	13,787,159	13,755,303	(31,856)	(0.2)
Emergency Communications District Fund	388,967	390,000	1,033	0.3
Golf Course Fund	<u>1,680,598</u>	<u>1,656,131</u>	<u>(24,467)</u>	<u>(1.5)</u>
TOTAL ALL FUNDS	<u>\$134,217,093</u>	<u>\$133,678,847</u>	<u>\$ (538,246)</u>	<u>(0.4)</u>

COMBINED SUMMARY OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
FISCAL YEAR 2005 - ALL FUNDS

	General	Debt Service	General Purpose	Drug Enforcement Program	State Street Aid	Streets & Transportation	Economic Diversification	Grant	Solid Waste	Capital Projects	Electric	Waterworks	Emergency Communications	Golf Course	Total All Funds
REVENUES:															
Taxes	20,160,482	0	10,492,587	0	0	0	0	0	0	0	0	0	0	0	30,653,069
Licenses & Permits	220,000	0	0	0	0	0	0	0	0	0	0	0	0	0	220,000
Intergovernmental	10,637,995	0	18,085,640	0	760,000	169,000	1,000,000	3,484,784	0	376,240	0	0	0	0	34,513,659
Charges for Services	1,397,437	0	1,699,698	0	0	0	0	0	686,000	0	39,244,000	13,232,860	427,500	0	56,687,495
Fines & Forfeitures	339,000	0	58,500	0	0	0	0	0	0	0	0	0	0	0	397,500
Other	442,500	25,000	338,912	12,500	10,000	2,000	25,000	0	0	25,000	605,000	338,025	2,000	1,403,285	3,229,222
Total Revenues	33,197,414	25,000	30,616,837	71,000	770,000	171,000	1,025,000	3,484,784	690,800	401,240	39,849,000	13,570,885	429,500	1,403,285	125,700,945
EXPENDITURES:															
Administration	0	0	0	0	239,610	0	0	0	0	0	0	0	0	0	239,610
General Government	693,704	0	0	0	0	0	0	0	0	0	0	0	0	0	693,704
Administrative Services	702,442	0	0	0	0	0	0	0	0	0	0	0	0	0	702,442
Police	4,370,685	0	0	98,450	0	0	0	0	0	0	0	0	0	0	4,469,135
Fire	3,460,232	0	0	0	0	0	0	0	0	0	0	0	0	0	3,460,232
Public Works	1,689,855	0	0	0	655,000	6,000	0	0	0	0	0	0	0	0	2,350,855
Community Development	515,090	0	0	0	0	0	0	0	0	0	0	0	0	0	515,090
Recreation & Parks	2,285,842	0	0	0	0	0	0	0	0	0	0	0	0	0	2,285,842
Library	1,113,265	0	0	0	0	0	0	0	0	0	0	0	0	0	1,113,265
Economic Development	0	0	0	0	260,000	2,988,746	2,988,746	0	0	0	0	0	0	0	3,258,746
Other Activities	0	0	0	0	0	0	188,350	3,484,784	1,801,450	0	0	0	0	0	5,844,584
Education	0	0	42,422,415	0	0	0	0	0	0	0	0	0	0	0	42,422,415
Capital Outlay	0	0	0	550,000	0	0	0	6,897,624	0	0	0	0	0	0	7,447,624
Debt Service	0	5,235,550	0	0	0	0	0	0	0	0	810,140	986,688	0	309,195	7,321,573
Golf Operations	0	0	0	0	0	0	0	0	0	0	0	0	0	1,346,936	1,346,936
Utility Operation	0	0	0	0	0	0	0	0	0	0	37,418,179	12,788,615	0	0	50,206,794
Total Expenditures	14,931,115	5,235,550	42,422,415	98,450	1,444,610	266,000	3,167,096	3,484,784	1,801,450	6,897,624	38,228,319	13,755,303	390,000	1,656,131	133,678,847
Excess (Deficiency) of Revenues over Expenditures	18,366,299	(5,210,550)	(11,805,578)	(27,450)	(674,610)	(95,000)	(2,142,096)	0	(1,110,650)	(6,496,384)	1,620,681	(184,418)	39,500	(252,846)	(7,977,902)
OTHER FINANCING SOURCES (USES):															
Debt Proceeds	0	0	0	0	0	0	0	0	0	2,000,000	0	0	0	0	2,000,000
Contingency	0	1,000,000	0	0	0	0	0	0	0	2,000,000	0	0	0	0	3,000,000
Transfers In	0	4,235,550	11,186,541	0	500,000	10,000	951,200	0	1,110,650	1,080,000	0	0	0	0	19,073,941
Transfers Out	(18,616,741)	0	0	0	0	0	0	0	0	(200,000)	(140,300)	(116,900)	0	0	(19,073,941)
Total Other Financing Sources (Uses)	(18,616,741)	5,235,550	11,186,541	0	500,000	10,000	951,200	0	1,110,650	4,880,000	(140,300)	(116,900)	0	0	5,000,000
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	(250,442)	25,000	(619,037)	(27,450)	(174,610)	(85,000)	(1,190,896)	0	0	(1,616,384)	1,480,381	(301,318)	39,500	(252,846)	(2,973,102)
ESTIMATED FUND BAL 7/1/03	4,893,201	1,708,697	2,900,666	38,090	327,857	179,478	2,731,061	383	0	2,817,579	21,607,898	10,002,686	279,649	(768,978)	46,718,267
ESTIMATED FUND BAL 6/30/04	4,642,759	1,793,697	2,281,629	10,640	153,247	94,478	1,540,165	383	0	1,201,195	23,088,279	9,701,368	319,149	(1,021,824)	43,745,165

Fund Balances/Retained Earnings

In Governmental Funds, only current assets and current liabilities are generally included on the balance sheet. The reported unreserved fund balance for Governmental Funds is considered a measure of "available spendable resources" and is the amount available for appropriation. The balance sheets of Proprietary Funds contain current and noncurrent assets and liabilities. Proprietary Funds report retained earnings, rather than a fund balance, which is an accumulation of the net income (loss) generated by the Fund since the inception of the Fund. Due to the accounting differences in these two Fund categories, particularly regarding fixed assets, Retained Earnings is not a measure of "available spendable resources". Outlined below is a comparison of the projected fund balances and retained earnings of the City Funds at the end of fiscal 2004 and 2005.

	<u>FY 2004</u>	<u>FY 2005</u>	<u>Change</u>	
			<u>Dollars</u>	<u>Percent</u>
<u>FUND BALANCE:</u>				
General Fund	\$ 4,893,201	\$ 4,642,759	\$ (250,442)	(5.1)
Debt Service Fund	1,708,697	1,733,697	25,000	1.5
General Purpose School Fund	2,900,666	2,281,629	(619,037)	(21.3)
Drug Enforcement Program Fund	38,090	10,640	(27,450)	(72.1)
State Street Aid Fund	327,857	153,247	(174,610)	(53.3)
Streets & Public Transportation Fund	179,478	94,478	(85,000)	(47.4)
Economic Diversification Fund	2,731,061	1,540,165	(1,190,896)	(43.6)
Grant Fund	383	383	0	0.0
Solid Waste Fund	0	0	0	0.0
Capital Projects Fund	<u>2,817,579</u>	<u>1,201,195</u>	<u>(1,616,384)</u>	<u>(57.4)</u>
TOTAL FUND BALANCES	<u>\$15,597,012</u>	<u>\$11,658,193</u>	<u>\$ (3,938,819)</u>	<u>(25.3)</u>
<u>RETAINED EARNINGS:</u>				
Electric Fund	\$21,607,898	\$23,088,279	\$ 1,480,381	6.9
Waterworks Fund	10,002,686	9,701,368	(301,318)	(3.0)
Emergency Communications District Fund	279,649	319,149	39,500	14.1
Golf Course Fund	<u>(768,978)</u>	<u>(1,021,824)</u>	<u>(252,846)</u>	<u>(32.9)</u>
TOTAL RETAINED EARNINGS	<u>\$31,121,255</u>	<u>\$32,086,972</u>	<u>\$ 965,717</u>	<u>3.1</u>

The fund balance of the General Fund is projected to decrease \$250,442 in fiscal 2005. In fiscal 1986, the City received \$23.1 million dollars from the United States Department of Energy (DOE) as a settlement to cease annual financial assistance payments from DOE and for ten-years of in-lieu of property tax payments. Over the last eighteen fiscal years, the City has gradually drawn down the fund balance created by the DOE settlement in order to maintain a reduced property tax rate. For fiscal 2005, it would take approximately 4 additional cents on the property tax rate to replace the budgeted fund balance draw. The City has established a targeted combined fund balance of the General Fund and General Purpose School Fund at \$5 million. At the end of fiscal 2005, the fund

balance of the General Fund is projected at \$4,642,759 and the General Purpose School Fund is projected at \$2,281,629 for a combined total of \$6,924,388.

Under Tennessee State law, the fund balance of the General Purpose School Fund can only be expended in the event of a revenue shortfall or unforeseen expenditure until the fund balance exceeds three percent of operating expenditures. The accumulated Fund Balance in excess of three percent of budgeted annual operating expenditures may be budgeted and expended for nonrecurring purposes, but shall not be used to satisfy appropriation requirements for recurring annual operating expenditures. In fiscal 2005, the General Purpose School Fund has a budgeted fund balance draw of \$619,037, which will be utilized for capital and other nonrecurring expenditures. Since the purpose of a target fund balance is to maintain a reserve for unforeseen emergencies, the fund balance of the General Fund and General Purpose School Fund have been combined to incorporate the \$5 million targeted City fund balance reserve. The utilization of fund balance draws in the General Fund to equate revenues and expenditures is expected to continue through fiscal 2008

Due to the type of revenues in these funds, the Debt Service, Grant and Solid Waste Funds are generally budgeted so that revenues and expenditures are approximately equal and result in only nominal fund balance fluctuations between fiscal years. Operating transfers from other City Funds equate revenues and expenditures of the Debt Service and Solid Waste Funds. Revenues for the Grant Fund are comprised primarily from state and federal grants.

The Drug Enforcement Program Fund has a limited revenue stream on which to draw for drug enforcement and education programs and therefore maintains a nominal fund balance. Revenues for the State Street Aid and Streets and Public Transportation Funds are primarily provided by state-shared motor fuel taxes and state grants. The General Fund provides additional funding through operating transfers to the State Street Aid Fund to support street resurfacing and maintenance projects.

In fiscal 2000, the Economic Diversification Fund was established to accumulate resources and account for an enhanced concentration on economic development activities by the City. Expenditure levels and resultant fund balance will vary from year-to-year based on the economic development opportunities that occur in a particular fiscal year. A significant portion of the fund balance was created by the recent sales of City owned properties that were not being utilized by the City for service delivery.

The fund balance of the Capital Projects Fund, projected to decrease \$1,616,384 in fiscal 2005, can vary greatly from year-to-year depending on the timing of long-term debt issuances and the related capital project expenditures.

The Retained Earnings of the City's Enterprise Funds are projected to increase by \$965,717. This is not reflective of the accumulation of cash reserves in these Funds, rather, it is reflective of the earning of an aggregate net income for the year by these Funds. The City is in the process of a major capital upgrade and expansion of the City's utility systems. In Enterprise Funds, capital expenditures are expended through depreciation charges, which are amortized using the straight-line method over the life of the project. For example, a capital item that cost \$100,000 with a ten-year life would be expended (i.e. reduce Retained Earnings) by \$10,000 each year over the next ten fiscal years. Therefore, the cash for the capital item would be expended in one fiscal year with the related expense being fully reflected in Retained Earnings after ten fiscal years.

Salaries and Personnel

The fiscal 2005 authorized City employment remained at the fiscal 2004 level of 348.64 staff years. The fiscal 2005 budget contains funding for an average award of 3% in merit pay to City employees. During fiscal 2003, a new pay plan was enacted and cost-of-living adjustments (COLA) are no longer being awarded to City employees. Salary increases to City employees are based on each employee's performance during the past fiscal year and requires employees to meet performance criteria specific to their position.

The largest budgeted increase for salary and benefits is for retirement costs, which escalated due to the volatility in the stock market during the past two years and historically low interest rates. Employees of the City are members of the benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS), which provides retirement benefits as well as death and disability benefits. The plan is fully funded by the City based on rates actuarially determined by TCRS on a biennial basis. The fiscal 2005 rate for the City's plan increased 30.14%, from 8.86% to 11.53% of covered wages. Due to the budgetary strategies adopted by City Council regarding the General Fund, the full impact of the increase in retirement costs could not be budgeted in the General Fund for fiscal 2005. Approximately \$102,000 of net General Fund costs for retirement has been deferred from budgeting in the General Fund until fiscal 2006. The additional \$102,000 in retirement costs is being funded from existing reserves in the Insurance Fund for fiscal 2005.

Budgeted funding for the City's medical benefit package and workers' compensation is budgeted to increase 7.8%. Revisions to employee medical premiums are on a calendar year basis with a projected 10% increase anticipated effective January 1, 2005.

Fiscal 2005 Agency Funding

The City provides funding to various agencies that either promote economic development and/or tourism-related services for the City, or render services to the citizens of Oak Ridge. Agencies budgeted for funding for economic development and/or tourism services are the Convention & Visitors Bureau (CVB) at \$334,000, Oak Ridge Chamber of Commerce at \$201,765, Melton Hill Regional Industrial Development Association (MHRIDA) at \$15,000 and Roane Alliance at \$10,000. Funding for the CVB was set at 91% of the actual 2003 Hotel/Motel tax collections. Funding for the Chamber increased \$5,682 or 2.9% from the fiscal 2004 level. Funding for MHRIDA and the Roane Alliance remained unchanged from fiscal 2004 amounts.

Agencies budgeted for social service/cultural programs funding include Aid to Distressed Families of Appalachian Counties (ADFAC) (\$136,500), Anderson County Health Council (ACHC) for the Healthy Start program (\$31,850), Arts Council of Oak Ridge (\$9,500), and Youth Advisory Board (\$9,000). These funding amounts are unchanged from fiscal 2004 levels.

SECTION II
GENERAL FUND & PROPERTY TAXES
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General Fund

The General Fund is the principal Fund of the City and is used to account for all activities of the City not included in other specified Funds. The General Fund accounts for the normal recurring activities of the City (i.e. police, fire, recreation, public works, general government, library, etc.), which is referred to in this document as municipal expenditures. Revenue generated through property tax collections is utilized to fund municipal expenditures and operating transfers of the General Fund. Property tax revenues are only used to support the functions or operations of other City and School Funds that are specifically identified as being financed through an operating transfer from the General Fund. For fiscal 2005, this is the General Purpose School, Debt Service, Solid Waste, Economic Diversification, State Street Aid, Street & Public Transportation and Capital Projects Funds.

A budget summary is presented on page II-2 that outlines revenue, municipal expenditures and operating transfers of the General Fund. Municipal expenditures and operating transfers for the General Fund are projected at \$33,447,856, an increase of \$530,079 or 1.6 percent from fiscal 2004 levels. Municipal expenditures are budgeted at \$14,831,115, up \$505,839 or 3.5 percent. Operating transfers are budgeted at \$18,616,741, up \$24,240 or 0.1 percent. Included in operating transfers is the City's contribution toward the operations of the Oak Ridge Schools, at \$11,186,541 up \$540,299 or 5.1%.

On October 7, 2002, Oak Ridge City Council adopted a five-year strategic plan to accomplish the goals "To help Oak Ridge become an exception place for all to live, work and visit". The plan resulted in a consensus by Council to focus on the key areas of property tax rate, housing, economic development and quality of life. The *Oak Ridge City Council Strategic Plan, The Path Forward, 2003-2007*, begins on page I-35 of this document. City Council's Budget and Finance Committee developed *Multi-Year Budget Model Assumptions* and *Budget and Finance Major Initiatives* to accomplish the critical outcomes identified in the Strategic Plan. The Committee's recommendations were adopted by City Council on February 3, 2003 and are contained on pages I-42 to I-44 of this document. These documents outlined the framework upon which City staff utilized to develop the fiscal 2005 budget. The City's budgeted 3.5% increase in municipal expenditures is in accordance with the *Multi-Year Budget Model Assumptions* and *Budget and Finance Major Initiatives* as adopted by City Council. There were no appropriation amendments by City Council to the proposed fiscal 2005 budget presented by the City Manager.

General Fund Revenues

General Fund revenues, excluding Fund Balance draw, for fiscal 2005 are projected at \$33,197,414, an increase of \$553,581 or 1.7% from the previous year. Budgeted General Fund expenditures and operating transfers exceed revenues by \$250,442, which is budgeted to be drawn from existing fund balance. The graph on page II-7 outlines General Fund revenues. The General Fund's primary revenue sources are from property taxes 47%, local sales taxes 22%, other City Funds 11%, and state-shared taxes 7%.

GENERAL FUND BUDGET SUMMARY

	ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
REVENUES:						
Taxes	19,776,290	19,864,000	19,597,385	20,160,482	296,482	1.5
Licenses and Permits	197,357	215,000	205,000	220,000	5,000	2.3
Intergovernmental Revenues	10,614,207	10,405,712	10,455,442	10,637,995	232,283	2.2
Charges for Services	1,393,281	1,392,621	1,385,777	1,397,437	4,816	0.3
Fines and Forfeitures	331,069	319,000	353,000	339,000	20,000	6.3
Other Revenues	437,019	447,500	420,500	442,500	(5,000)	-1.1
Total Revenues	32,749,223	32,643,833	32,417,104	33,197,414	553,581	1.7
EXPENDITURES:						
General Government	662,177	671,924	661,923	693,704	21,780	3.2
Administrative Services	712,873	739,335	698,811	702,442	(36,893)	-5.0
Police	4,335,623	4,159,555	4,191,377	4,370,685	211,130	5.1
Fire	3,359,397	3,284,737	3,383,055	3,460,232	175,495	5.3
Public Works	1,753,310	1,630,297	1,591,874	1,689,855	59,558	3.7
Community Development	501,422	496,647	495,229	515,090	18,443	3.7
Recreation and Parks	2,228,975	2,257,372	2,190,696	2,285,842	28,470	1.3
Library	1,045,519	1,085,409	1,077,080	1,113,265	27,856	2.6
Total Municipal Expenditures	14,599,296	14,325,276	14,290,045	14,831,115	505,839	3.5
Excess of Revenues Over Municipal Expenditures	18,149,927	18,318,557	18,127,059	18,366,299	47,742	0.3
OTHER FINANCING USES:						
Operating Transfers Out:						
Oak Ridge Schools	(10,646,242)	(10,646,242)	(10,646,242)	(11,186,541)	540,299	5.1
General Fund Debt Service	(4,213,207)	(4,034,485)	(4,034,485)	(4,035,550)	1,065	0.0
Economic Diversification Fund	(1,146,665)	(679,764)	(679,764)	(694,000)	14,236	2.1
Solid Waste Fund	(992,664)	(1,108,510)	(1,057,000)	(1,110,650)	2,140	0.2
Capital Projects Fund	(711,000)	(1,057,000)	(1,057,000)	(1,080,000)	23,000	2.2
State Street Aid Fund	(500,000)	(560,650)	(500,000)	(500,000)	(60,650)	-10.8
Street & Public Transportation Fund	0	(5,850)	(10,000)	(10,000)	4,150	100.0
Golf Course Fund	(713,000)	(500,000)	(500,000)	0	(500,000)	-100.0
Total Other Financing Uses	(18,922,778)	(18,592,501)	(18,484,491)	(18,616,741)	24,240	0.1
Excess (Deficiency) of Revenues Over Expenditures & Other Financing Uses	(772,851)	(273,944)	(357,432)	(250,442)	(23,502)	-8.6
UNRESERVED FUND BALANCE - 7/1	6,023,484	5,124,867	5,250,633	4,893,201	(231,666)	-4.5
UNRESERVED FUND BALANCE - 6/30	5,250,633	4,850,923	4,893,201	4,642,759	(255,168)	-5.3

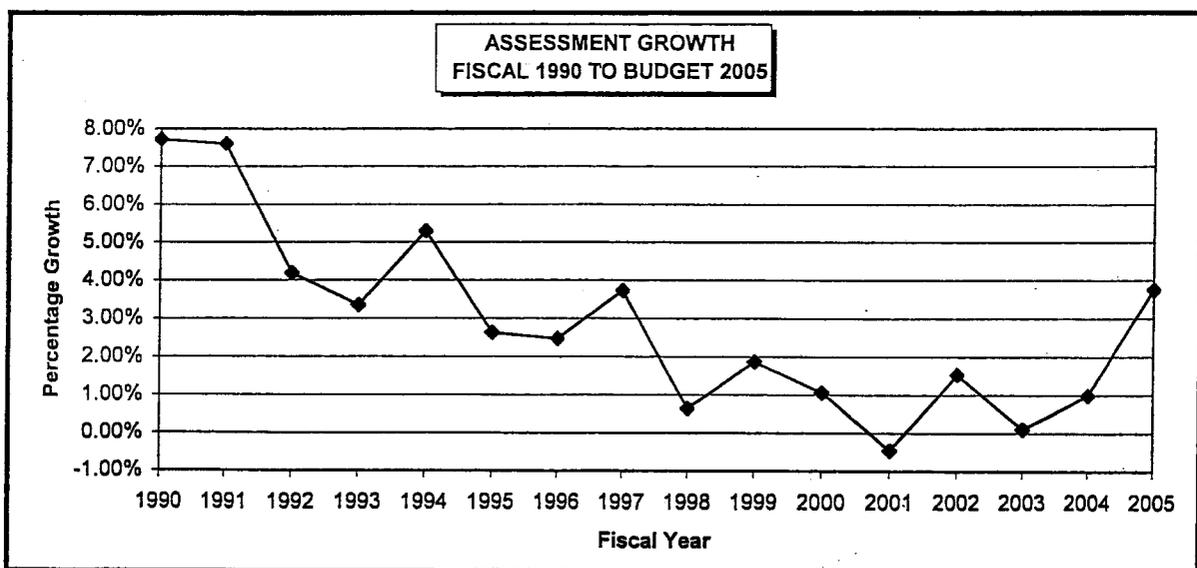
GENERAL FUND FISCAL 2005 VS 2004 BUDGET VARIANCE SUMMARY

	BUDGET	BUDGET	BUDGET	05 VS 04		DESCRIPTION OF PRIMARY CHANGE BASIS
	2004	2005	2005 % Of Total	BUDGET 05 vs 04	% CHANGE	
REVENUES:						
Property Taxes	\$ 15,291,000	\$ 15,538,000	46.45%	\$ 247,000	1.62%	New Building at ORNL; 1.8% assessment growth; Property tax rate remains at \$2.87
Local Sales Taxes	7,125,000	7,299,000	21.82%	174,000	2.44%	Growth from retail and modernizations at Y-12 and ORNL
Other City Funds (In-lieu of Taxes & Rents)	3,536,437	3,538,919	10.58%	2,482	0.07%	Electric & Waterworks Fund In-Lieu of taxes based on tax rate & capital improvements
State Shared Taxes (Sales, Income, TVA, Excise, etc)	2,216,760	2,274,000	6.80%	57,240	2.58%	Increase from state-shared sales tax collections
Business Taxes (Business, Hotel & Alcohol Wholesale)	1,838,000	1,893,000	5.66%	55,000	2.99%	Actual increased collections in Business and Beer Wholesale Taxes
DOE In-Lieu	1,273,952	1,266,995	3.79%	(6,957)	-0.55%	Reduction of 182 acres under PILT
Licenses and Permits - (Construction Permits, Beer/Liquor Sale, Animal Registration, ROW, Cable)	540,000	560,000	1.67%	20,000	3.70%	Based on actual collection patterns, increase primarily from cable franchise fee
Charges for Services - (Recreation Usage Fees, Building & Facility Rentals, Animal Shelter Fees)	378,184	383,000	1.15%	4,816	1.27%	Based on actual collection patterns
Fines and Forfeitures - (Traffic Violations, City Court, Library Fines)	322,000	342,000	1.02%	20,000	6.21%	Based on actual collection patterns
Fund Balance Draw	273,944	250,442	0.75%	(23,502)	-8.58%	Equates Deficiency of Revenues Over Expenditures and Operating Transfers
Interest & Misc.	122,500	102,500	0.31%	(20,000)	-16.33%	Interest Earnings down \$20,000 for lower fund balance/interest rates
TOTAL REVENUES	\$ 32,917,777	\$ 33,447,856	100.00%	\$ 530,079	1.61%	
EXPENDITURES AND OPERATING TRANSFERS:						
Oak Ridge Schools Operations	\$ 10,646,242	\$ 11,186,541	33.44%	\$ 540,299	5.08%	City operational funding to the Oak Ridge Schools
Police	4,159,555	4,370,685	13.07%	211,130	5.08%	Salary and benefits
Debt Service (Principal & Interest Payments)	4,034,485	4,035,550	12.07%	1,065	0.03%	
Fire	3,284,737	3,460,232	10.35%	175,495	5.34%	Salary and benefits
Recreation and Parks	2,257,372	2,285,842	6.83%	28,470	1.26%	Salary and benefits
Library	1,085,409	1,113,265	3.33%	27,856	2.57%	Salary and benefits
Residential Garbage Pickup & Convenience Center	1,108,510	1,110,650	3.32%	2,140	0.19%	Contractual increases based on inflation and actual cost
Capital Projects Funding	1,057,000	1,080,000	3.23%	23,000	2.18%	To provide ongoing funding stream for major maintenance capital projects
Traffic & Street Lighting	911,800	954,480	2.85%	42,680	4.68%	Utility costs for street lighting
Public Works (Building & Street Maintenance)	718,497	735,375	2.20%	16,878	2.35%	Salary and benefits
Administrative Services (Finance, Personnel, Computer Services & Utilities Business Office)	739,335	702,442	2.10%	(36,893)	-4.99%	Reduction due to staffing reorganization
Economic Development	679,764	694,000	2.07%	14,236	2.09%	Funding to outside agencies for economic development functions
General Government (City Council, City Clerk, City Manger, City Court & Legal)	671,924	693,704	2.07%	21,780	3.24%	Salary and benefits
Community Development	496,647	515,090	1.54%	18,443	3.71%	Salary and benefits
Street Resurfacing	560,650	500,000	1.49%	(60,650)	-10.82%	State-shared tax revenues not reduced in FY04 as anticipated
Street & Public Transportation Fund	5,850	10,000	0.03%	4,150	100.00%	To fund public transit bus operations
Golf Course Debt Service	500,000	0	0.00%	(500,000)	-100.00%	FY05 debt service to be funded by land sale proceeds
TOTAL EXPENDITURES & OPERATING TRANSFERS	\$ 32,917,777	\$ 33,447,856	100.00%	\$ 530,079	1.61%	

Property Taxes - The property tax rate is established by City Council each year to finance municipal expenditures and operating transfers of the General Fund. Property taxes are the General Fund's largest revenue source providing 46.8% of total General Fund revenues. The table on page II-5 provides an analysis of property tax revenues.

The budget is based on the property tax rate remaining at the fiscal 2004 rate of \$2.87 per \$100 of assessed valuation. The assessed valuations for real and personal property and public utilities are projected to increase overall 1.6% from the prior year's budget. The actual 2004 tax roll fell short of budget due to large commercial appeals, which resulted in appraisal reductions, and only 50% of the \$50,000,000 research facility located at the ORNL site being completed for inclusion in the tax roll. The valuation for real property is projected to increase 3.7% from the projected 2004 roll due to the remainder of the ORNL research facility being included in the tax roll and a 1.9% growth factor. The valuation of personal property is projected to grow 1.6% from budget 2004, which equates to 1% over projected 2004. The valuation for public utilities is projected to decline 16.6% from last year's budget based on the actual 2004 tax roll. The valuation for public utilities has declined 40% in the last five years due to contestments that occurred at the statewide level. The \$2.87 property tax rate is projected to generate \$15,407,000 in tax revenues from real, personal and public utilities assessments in fiscal 2005. An additional \$110,000 is budgeted from interest and penalties on late tax payments and \$21,000 from in-lieu of tax payments based on rates established under separate contract with the City (i.e. reduced property taxes to locate business in Oak Ridge) or entities taxed under specific statutes (such as the Oak Ridge Housing Authority). Each penny on the property tax rate generates approximately \$60,000 in funding. Located on page II-6 is a chart indicating the allocation of an average households (\$100,000 appraised value) monthly tax contribution for fiscal 2005.

The table below shows assessment growth, actual 1990 through 2003 and projected 2004 and 2005. As the table indicates, assessment growth declined dramatically during the 1990's. There are numerous commercial and residential projects in the planning and construction stages in the community that should increase the growth level of assessed valuation for real property over the next few years.



**GENERAL FUND
ANALYSIS OF PROPERTY TAX REVENUES**

	ACTUAL FY 2003 2002 LEVY	BUDGET FY 2004 2003 LEVY	PROJECTED FY 2004 2003 LEVY	BUDGET FY 2005 2004 LEVY	BUDGET 05 vs 04	% CHANGE
ASSESSED VALUATION:						
Real Property	454,787,962	470,426,481	461,358,708	480,102,697	9,676,216	2.1
Personal Property	46,245,603	46,556,291	46,850,423	47,318,927	762,636	1.6
Public Utilities	11,449,272	11,266,381	9,394,628	9,394,628	(1,871,753)	-16.6
Total Assessed Valuation	<u>512,482,837</u>	<u>528,249,153</u>	<u>517,603,759</u>	<u>536,816,253</u>	<u>8,567,100</u>	<u>1.6</u>
TAX RATE PER \$100 VALUATION	2.94	2.87	2.87	2.87	0.00	0.0
PROPERTY TAX REVENUES:						
Real Property Taxes	13,302,682	13,501,000	13,241,000	13,779,000	278,000	2.1
Personal Property Taxes	1,363,014	1,336,000	1,344,000	1,358,000	22,000	1.6
Public Utility Taxes	332,285	323,000	270,000	270,000	(53,000)	-16.4
Interest and Penalties	302,022	110,000	175,000	110,000	0	0.0
Total Property Tax Revenues	<u>15,300,003</u>	<u>15,270,000</u>	<u>15,030,000</u>	<u>15,517,000</u>	<u>247,000</u>	<u>1.6</u>

** Increases in Assessed Value are primarily the result of a tax re-appraisal.

NOTE: Estimated assessments are based on the following constitutionally established ratios: (a) Residential Real, 25 percent; (b) Commercial and Industrial Real, 40 percent, Personal 30 percent; (c) Public Utilities, 55 percent and 40 percent.

**PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS
LAST TEN TAX YEARS**

FISCAL YEAR	ANDERSON COUNTY, TENNESSEE			ROANE COUNTY, TENNESSEE		
	CITY	COUNTY	TOTAL	CITY	COUNTY	TOTAL
1995	1.90	2.84	4.74	1.90	2.365	4.265
1996	1.98	2.84	4.82	1.98	2.365	4.345
1997	2.19	3.00	5.19	2.19	2.465	4.66
1998	2.34	3.00	5.34	2.34	2.465	4.81
1999	2.09	2.59	4.68	2.09	2.12	4.21
2000	2.31	2.97	5.28	2.31	2.32	4.63
2001	2.57	3.14	5.71	2.57	2.11	4.68
2002	2.65	3.14	5.79	2.65	2.11	4.76
2003	2.94	3.14	6.08	2.94	2.11	5.05
2004	2.87	3.14	6.01	2.87	2.48	5.35
2005	2.87	Not Available		2.87	Not Available	

The City of Oak Ridge is located in two Tennessee counties: Anderson and Roane. Only ten percent of the taxable real parcels are located in the Roane County section of Oak Ridge. All properties in Anderson County and Roane County sections of Oak Ridge were re-appraised in 1992 and 1999.

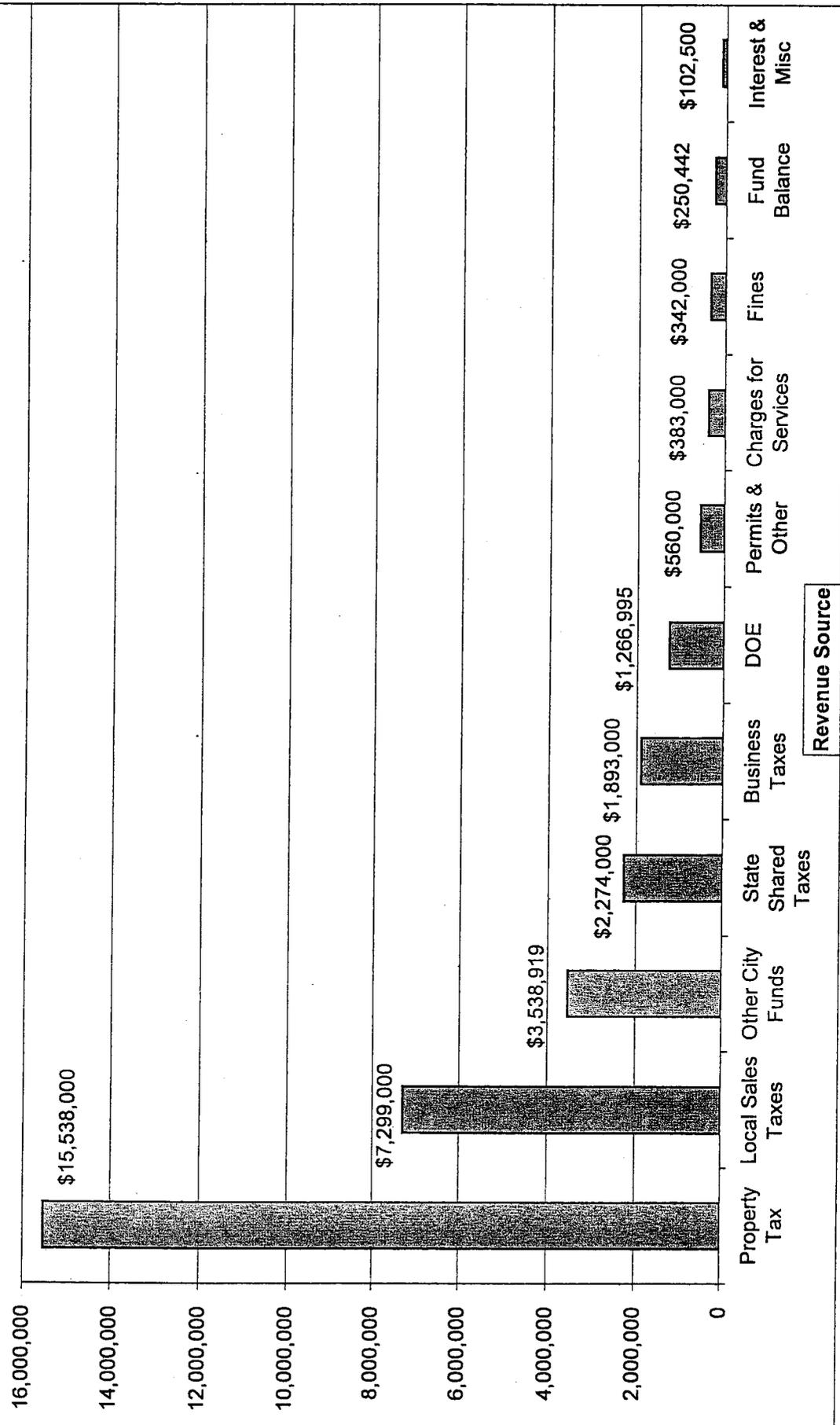
FISCAL 2005 AVERAGE HOUSEHOLD

CONTRIBUTION PER MONTH

(Based on \$100,000 Appraisal at a \$2.87 Tax Rate)

	<u>FY 2005 MONTHLY CONTRIBUTION</u>
Property Tax Supported Operations:	
School Operations	\$ 19.34
Police	7.55
Debt Service	7.33
Solid Waste (includes monthly \$5 fee)	7.01
Fire	5.97
Parks & Recreation	4.10
City Building & Street Maintenance (Public Works)	2.32
Economic & Community Development	2.15
Library	1.97
Capital Projects/Maintenance	1.92
Traffic and Street Lighting	1.66
Administrative Services	1.34
General Government	1.22
Golf Course	<u>0.91</u>
MONTHLY TAX TOTAL	<u>\$ 64.79</u>
Average Monthly Residential Utility Costs:	
Electricity	\$ 75.00
Water	14.21
Wastewater	<u>18.00</u>
MONTHLY UTILITY TOTAL	<u>\$ 107.21</u>

**General Fund Revenues By Source
Fiscal 2005 Budget**



Local Sales Taxes - Local sales tax revenues are the General Fund's second largest revenue source at 22% of total General Fund revenues. Local sales tax revenues are budgeted at \$7,299,000 for fiscal 2005, up 2.4% or \$174,000 from the previous year. The local sales tax rate in the Anderson County section of Oak Ridge is 2.25%. When combined with the State sales tax rate of 7%, the total is 9.25%. The sales tax rate in the Oak Ridge portion of Roane County is 9.75%, which consists of a 2.50% rate imposed by Roane County and shared with the City, a .25% City of Oak Ridge rate and the 7% State rate. 9.75% is the maximum sales tax rate allowed under current State law. Outlined below is a detail of local sales taxes.

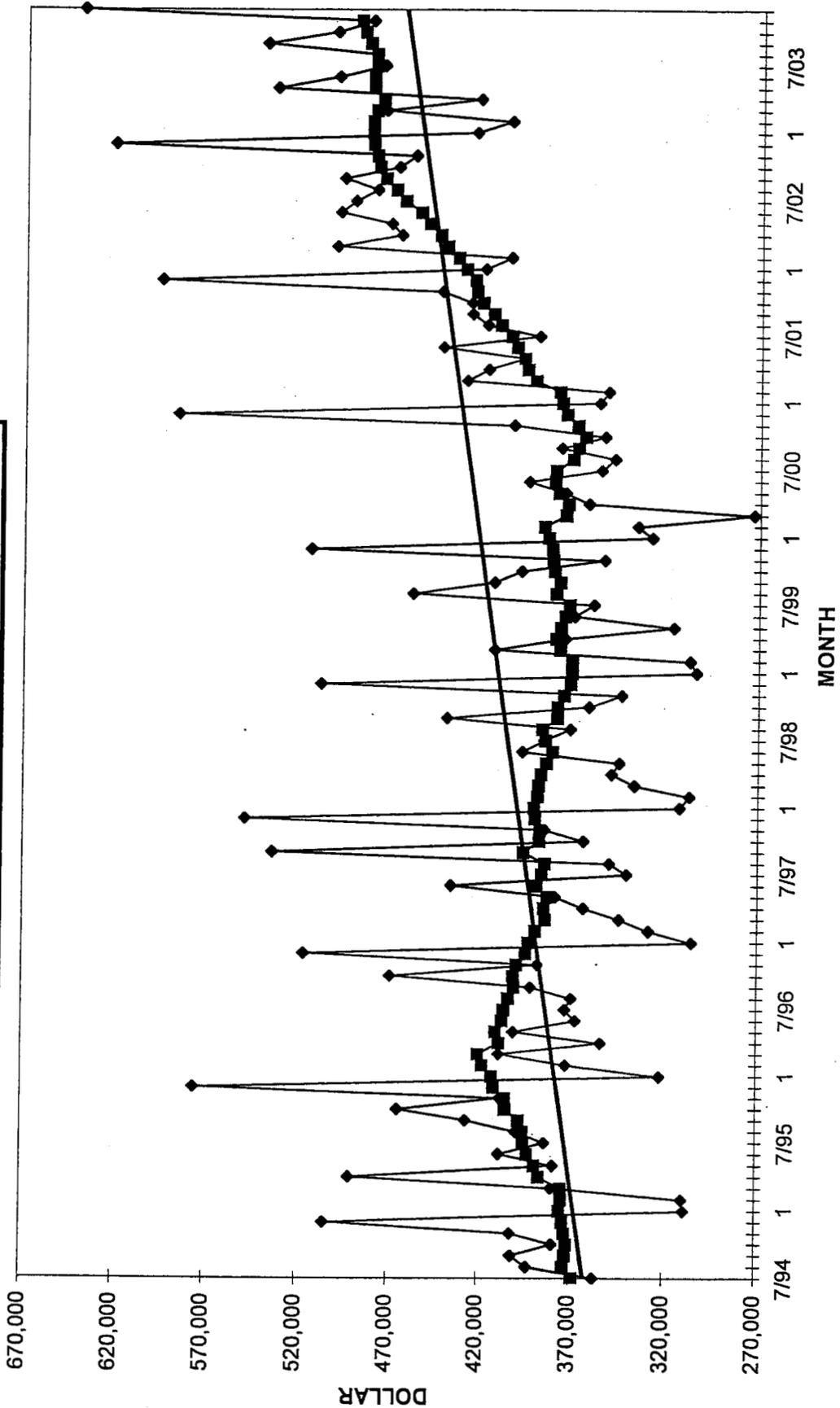
	ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
Local Sales Taxes:						
Anderson County	\$ 5,778,023	\$ 5,880,000	\$ 5,975,000	\$ 6,095,000	\$ 215,000	3.7
Roane County	1,127,015	1,035,000	198,000	202,000	(8,000)	(3.8)
City Only - Roane Co.	<u>227,680</u>	<u>210,000</u>	<u>982,000</u>	<u>1,002,000</u>	<u>(33,000)</u>	<u>(3.2)</u>
Total Local Sales Taxes	<u>\$ 7,132,718</u>	<u>\$ 7,125,000</u>	<u>\$ 7,155,000</u>	<u>\$ 7,299,000</u>	<u>\$ 174,000</u>	<u>2.4</u>

Sales tax collections in the Anderson County portion of Oak Ridge, budgeted at \$6,095,000, are projected to increase \$215,000 or 3.7%, which equates to a 3.6-cent reduction in the property tax rate. The increase is primarily related to the continued stimulus provided to the retail sector by the opening of Home Depot, expansion of Wal-Mart and the modernization of the Y-12 facility. Monthly Anderson County sales tax collections had been sporadic for the past several years, but in general had been declining since August of 1996. The decline was attributed to stagnation of the local economy due to the ongoing federal downsizing in Oak Ridge and the resulting impact on local consumers. During fiscal 2000, the downward trend flattened and collection levels began significantly increasing. Growth slowed in fiscal 2004, but collections continue to increase ahead of the rate of inflation. Refer to the graph on page II-9.

Sales tax collections in the Roane County portion of Oak Ridge, budgeted at \$1,204,000, are projected to decrease \$41,000 or 3.3%. Collections in this portion of Oak Ridge are primarily related to the federal ORNL and K-25 facilities. Collections in Roane County had declined sharply in October 2000 when the contractors changed at the Y-12 and K-25 facilities. Previously, Lockheed Martin was the contractor for both Y-12 and K-25 and due to the manufacturing aspect of Y-12, paid sales and use tax collections at the point of consumption (in Oak Ridge). Beginning in October 2000, BWXT assumed operation of the Y-12 plant and continues to pay sales and use taxes in the Anderson County portion of Oak Ridge at the point of consumption. Bechtel Jacobs was awarded operation of K-25 and because it is not a manufacturing facility pays sales taxes to the vendor at the time of purchase. While collections have begun to increase in recent months due to the \$300 million modernization program at ORNL, budgeted collections of \$1,204,000 are still well below the peak of \$2,062,799 that occurred in fiscal 1999. Refer to the graph on page II-10.

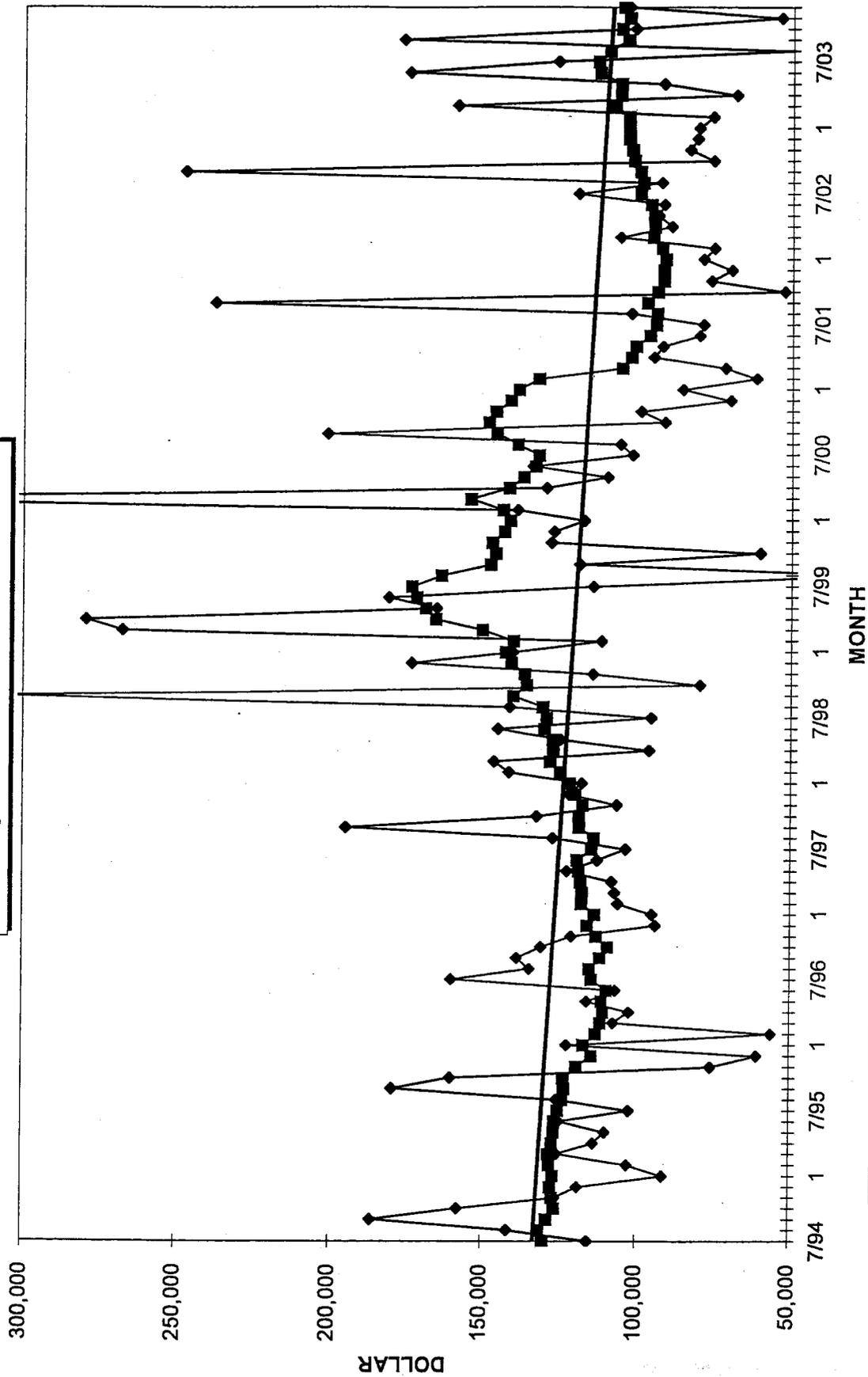
Combined sales and use tax collection in Anderson and Roane County since July 1994 are shown on the graph on page II-11. This graph shows the overall reduction trend flattening and then collections increasing significantly beginning in July 2001.

ANDERSON COUNTY SALES TAX REVENUE
 July 1994 To December 2003



Monthly Collections
 12 Month Trend
 Linear (Monthly Collections)

**ROANE COUNTY SALES TAX REVENUE
July 1994 To December 2003**

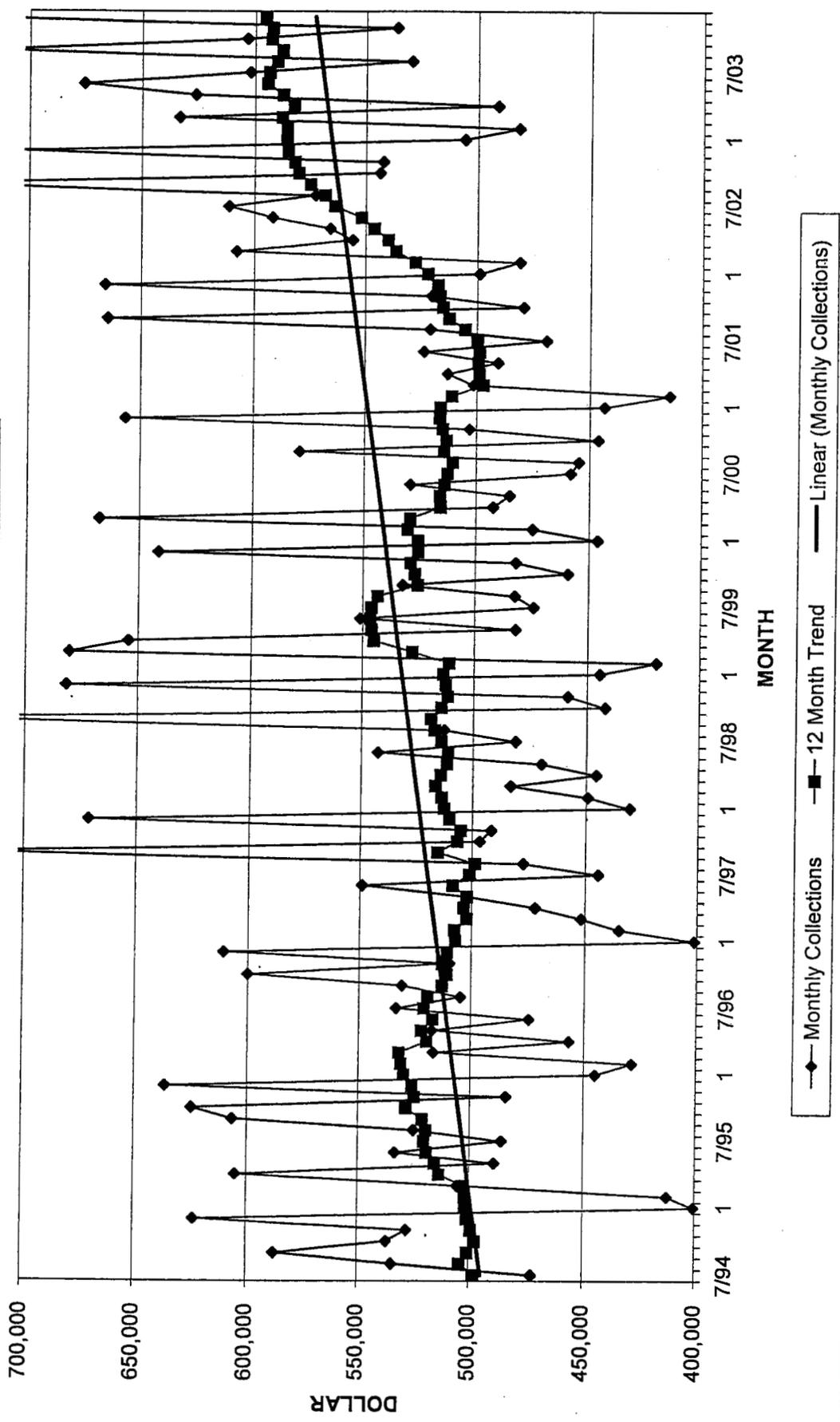


—◆— Monthly Collections

—■— 12 Month Trend

— Linear (Monthly Collections)

**Anderson/Roane County Sales Tax Collections
July 1994 To December 2003**



Other City Funds – Revenues provided from Other City Funds, budgeted at \$3,538,919, comprise 10.7% of total General Fund revenues. This revenue is primarily collected from the City's Electric and Waterworks Funds for tax equivalent (in-lieu of property tax) payments and rental charges based on square footage occupied at the City's Central Service Center Complex (CSCC) and radio system usage as outlined below:

	ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
From Other City Funds:						
Tax Equiv.-Electric Fund	\$1,154,452	\$ 1,213,000	\$ 1,187,321	\$1,246,687	\$33,687	2.8
Tax Equiv.-Waterworks Fund	1,299,891	1,312,000	1,289,064	1,280,795	(31,205)	(2.4)
Central Service Center Rent	892,732	892,732	892,732	892,732	0	0.0
City Owned Radio Rental	<u>118,045</u>	<u>118,705</u>	<u>118,045</u>	<u>118,705</u>	<u>0</u>	<u>0.0</u>
Total From Other City Funds	<u>\$ 3,465,120</u>	<u>\$ 3,536,437</u>	<u>\$ 3,487,162</u>	<u>\$ 3,538,919</u>	<u>\$ 2,482</u>	<u>0.1</u>

State law outlines the calculation for in-lieu of tax payments from Electric distributors, which are based on operating revenues and the net book value of fixed assets. The fiscal 2005 in-lieu of tax payment from the City's Electric Fund is budgeted to increase \$33,687 based on fiscal 2004 capital expenditure levels. The Waterworks Fund in-lieu of tax payment is based on the net fixed asset value of the water and wastewater systems and the General Fund's initial cash investment in those systems. Based on this calculation, the Waterworks Fund tax equivalent payment for fiscal 2005 is budgeted at \$1,280,795, a \$31,205 decrease. This decrease is based on depreciation of assets exceeding new capital expenditure levels in the Waterworks Fund. The wastewater system is nearing completion of a major capital improvements program for treatment plant expansion and collection system rehabilitation that has dramatically increased the tax equivalent payment over the past five years. Capital work will begin in fiscal 2005 to also improve the water treatment plant, which will impact the 2006 tax equivalent payment.

General long-term debt was issued to construct the CSCC and purchase an 800 MHz radio system. The General Fund provides for the principal and interest payments on this debt through operating transfers to the Debt Service Fund. The non-General Fund users of the CSCC (Utility Funds) and radio system pay rent to the General Fund based on their usage of the two facilities.

State-Shared Taxes - Revenues provided from state-shared taxes, budgeted at \$2,274,000, comprise 6.8% of total General Fund revenues. State-shared taxes are collected by the state with a portion distributed back to local governments based on either population or actual collections within that government's jurisdiction. The largest of these is sales taxes, budgeted at \$1,638,000, and income tax, budgeted at \$323,000 as outlined below.

	ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
State-Shared Taxes:						
Sales Tax	\$ 1,657,368	\$ 1,551,550	\$ 1,602,000	\$ 1,638,000	\$ 86,450	5.6
Income Tax	317,971	373,100	320,000	323,000	(50,100)	(13.4)
TVA Replacement Tax	181,643	170,170	184,147	185,000	14,830	8.7
Mixed Drink Tax	85,619	72,800	72,800	73,000	200	0.3
Excise Tax	39,053	36,400	38,000	40,000	3,600	9.9
Beer Barrelage	<u>14,232</u>	<u>12,740</u>	<u>14,500</u>	<u>15,000</u>	<u>2,260</u>	<u>17.7</u>
Total State-Shared Taxes	<u>\$ 2,295,886</u>	<u>\$ 2,216,760</u>	<u>\$ 2,231,447</u>	<u>\$ 2,274,000</u>	<u>\$ 57,240</u>	<u>2.6</u>

Revenues from the state-shared tax collections were budgeted to decline 9% in fiscal 2004 based on the Governor of Tennessee's proposed state budget at the time of adoption of the City budget. The actual percentage reduction in the allocation of state-shared taxes to local entities adopted by the state varied by individual tax type. The fiscal 2005 budget for state-shared sales taxes increased \$86,450 or 5.6% due to the state allocation of these revenues to the City declining by 7.5% in fiscal 2004 and rather than at the budgeted 9% level. The allocation of income tax to local entities could be reduced by the state up to 33%, however, the state placed a cap of no more than a 9% overall reduction to any local entity. Income tax collections are projected to decline an additional \$50,100 from the fiscal 2004 budget.

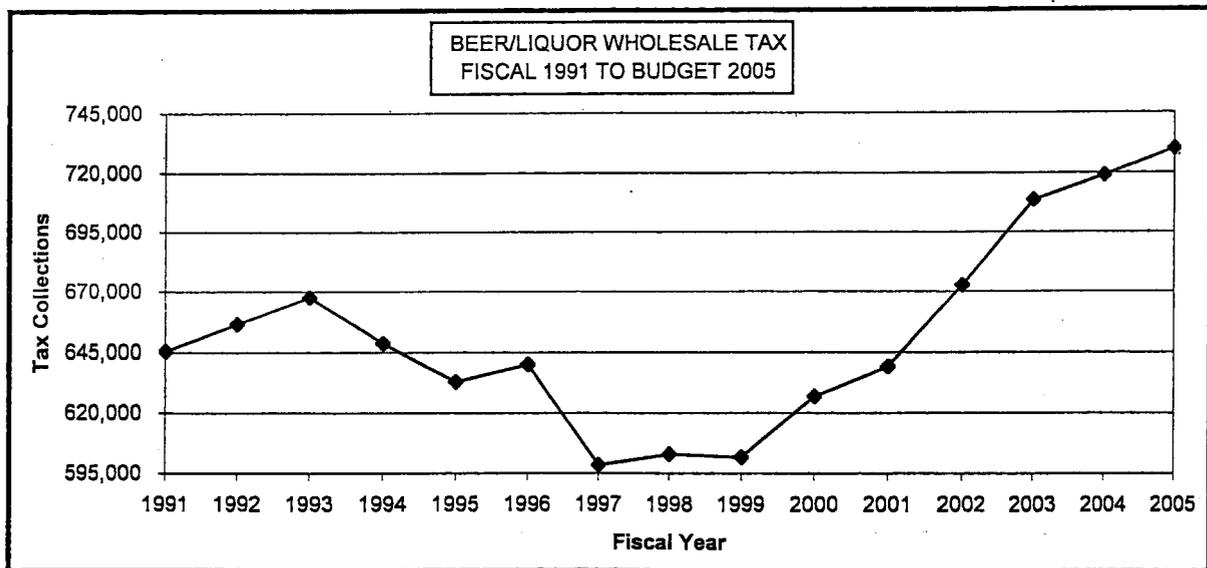
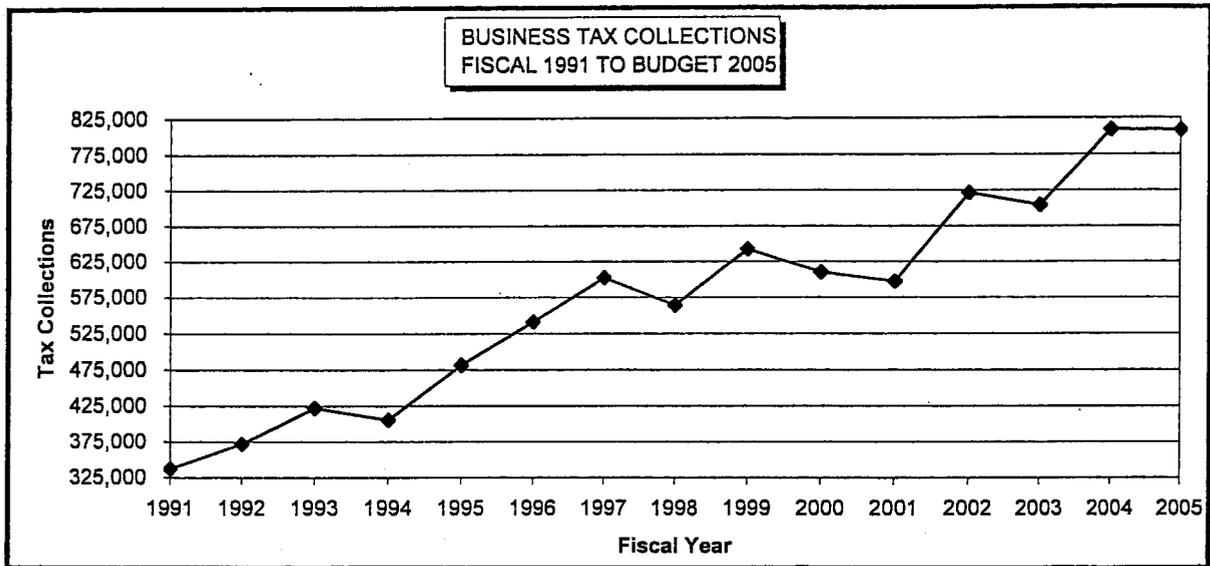
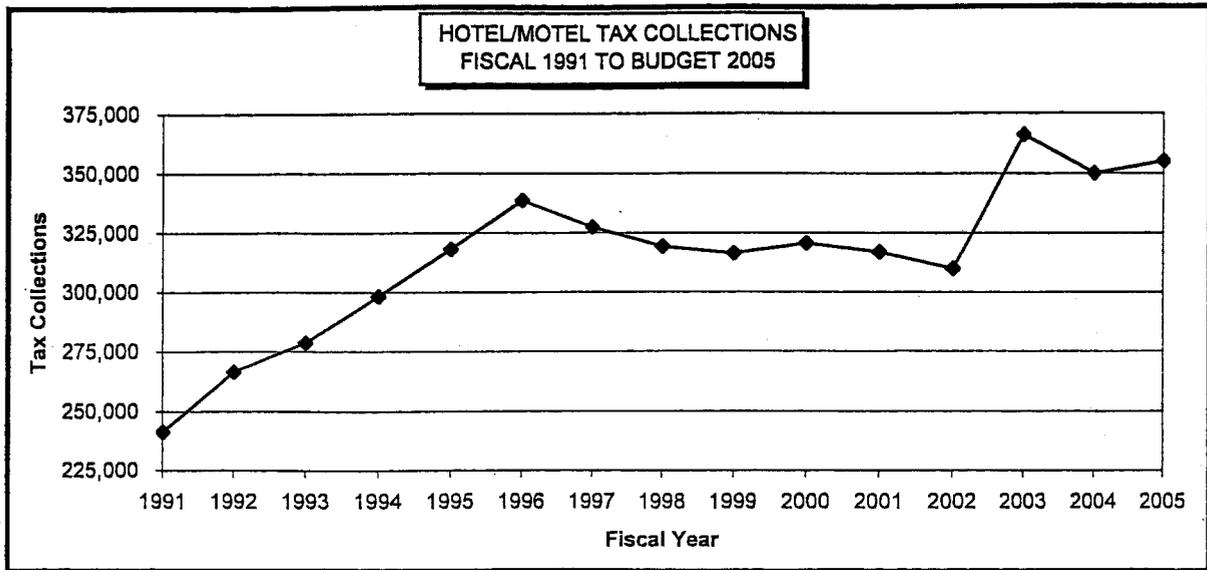
Local Business Taxes - Revenues provided from local business taxes, budgeted at \$1,893,000, comprise 5.7% of total General Fund revenues as outlined below:

	ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
Local Business Taxes:						
Business Tax	\$ 704,225	\$ 778,000	\$ 808,500	\$ 808,000	\$ 30,000	3.9
Beer Wholesale Tax	519,676	510,000	530,000	540,000	30,000	5.9
Room Occupancy Tax	366,023	355,000	350,000	355,000	0	0.0
Liquor Wholesale Tax	<u>188,913</u>	<u>195,000</u>	<u>189,000</u>	<u>190,000</u>	<u>(5,000)</u>	<u>(2.6)</u>
Total Business Taxes	<u>\$ 1,778,837</u>	<u>\$ 1,838,000</u>	<u>\$ 1,877,500</u>	<u>\$ 1,893,000</u>	<u>\$ 55,000</u>	<u>3.0</u>

The graphs on page II-14 show the ten-year trend for these taxes. After several years of steady growth, collections from these taxes began declining during the fiscal 1997-98 time frame. Collections appear to have flattened out and once again begun to grow. The recent expansions in the retail sector have also resulted in increased business tax collections. The decline in beer and liquor wholesale tax collections from 1994 to 1997 resulted from law changes in communities surrounding Oak Ridge, which now allow the sale of these products in those jurisdictions. The decline in these collections equated to an additional cent on the property tax rate.

DOE – Revenues from the US Department of Energy (DOE) in-lieu of tax budgeted at \$1,266,995, comprises 3.8% of General Fund revenues. DOE's annual in-lieu of tax (PILT) payment to the City is based on the number of acres on the federal reserve (currently 33,149 acres) at a per acre appraisal approved by DOE (currently \$5,327) at the City's property tax rate (\$2.87). In accordance with the Atomic Energy Commission Act, the land value is assessed based on the original usage of the property, which was residential farmland when DOE purchased the land for the WWII effort, rather than the current use of the property. The residential property tax assessment rate of 25% is therefore used, rather than the 40% rate that would normally apply to commercial/industrial properties. DOE's remittance is also contingent on the annual federal appropriation of this payment. The \$6,957 budgeted reduction in PILT proceeds is due to the transfer out of 182 acres from the DOE reservation.

	ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
US Dept. of Energy	<u>\$ 1,297,898</u>	<u>\$ 1,273,952</u>	<u>\$ 1,266,995</u>	<u>\$ 1,266,995</u>	<u>\$ (6,957)</u>	<u>(0.5)</u>



Licenses and Permits - Revenues provided from licenses and permits, budgeted at \$560,000, comprise 1.7% of total General Fund revenues as outlined below:

	ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
Licenses and Permits:						
CATV Franchise	\$ 276,810	\$ 265,000	\$ 280,000	\$ 280,000	\$ 15,000	5.7
Building Permits	107,590	120,000	110,000	125,000	5,000	4.2
ORUD Right-Of-Way	60,000	60,000	60,000	60,000	0	0.0
Alcohol Sale Permits	19,145	20,000	20,000	20,000	0	0.0
Electrical Permits	25,719	26,000	26,000	26,000	0	0.0
Plumbing Permits	20,058	22,000	22,000	22,000	0	0.0
Animal Regist. Permits	16,402	17,000	17,000	17,000	0	0.0
Other Permits & Fees	<u>8,443</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>0</u>	<u>0.0</u>
Total Licenses & Permits	<u>\$ 534,167</u>	<u>\$ 540,000</u>	<u>\$ 545,000</u>	<u>\$ 560,000</u>	<u>\$ 20,000</u>	<u>3.7</u>

Revenues from Building, Electric, Plumbing and Grading Permits are directly impacted by local economic conditions and will vary from year-to-year based on large commercial projects. Permit revenues are anticipated to increase based on the development of Rarity Ridge, Parcel A and other residential/commercial projects currently in the planning stages.

Fines and Forfeitures - Revenues provided from fines, budgeted at \$342,000, comprise 1% of total General Fund revenues as outlined below:

	ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
Fines, Penalties & Forfeitures						
City Court Revenues	\$ 269,746	\$ 249,000	\$ 294,000	\$ 279,000	\$ 30,000	12.0
Library Fines and Fees	<u>63,837</u>	<u>73,000</u>	<u>62,000</u>	<u>63,000</u>	<u>(10,000)</u>	<u>(13.7)</u>
Total Fines, Penalties & Forfeitures	<u>\$ 333,583</u>	<u>\$ 322,000</u>	<u>\$ 356,000</u>	<u>\$ 342,000</u>	<u>\$ 20,000</u>	<u>6.2</u>

Collections from City Court revenues have been sporadic over the past few years. The decline in court revenues for fiscals 2000 to 2002 was caused by a reduction in the number of traffic tickets being issued due to staffing turnover and vacancies in the Police Department. The fiscal 2005 budget was increased by \$30,000 to more accurately reflect current collection levels. In fiscal 2003, Library fine and fee amounts were increased. While collections have increased, it appears they will not reach the amount anticipated. The budget for Library Fines and Fees was reduced by \$10,000 to reflect current collection patterns.

Charges for Services - Revenues provided from charges for services, budgeted at \$383,000, comprise 1.2% of total General Fund revenues as outlined below:

	ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
Charges For Services:						
Rental Of Lands & Buildings	\$ 143,920	\$ 145,684	\$ 145,000	\$ 150,000	\$ 4,316	3.0
Outdoor Pool Fees	75,876	85,000	70,000	75,000	(10,000)	(11.8)
Indoor Pool Fees	53,581	62,500	55,000	55,000	(7,500)	(12.0)
Animal Shelter Fees	37,608	38,000	37,000	38,000	0	0.0
Records Processing	35,032	17,000	35,000	35,000	18,000	105.9
General & Admin. Costs	23,390	20,000	20,000	20,000	0	0.0
Misc. Recreation						
Usage Fees	<u>10,583</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>0</u>	<u>0.0</u>
Total Charges For Services	<u>\$ 379,990</u>	<u>\$ 378,184</u>	<u>\$ 372,000</u>	<u>\$ 383,000</u>	<u>\$ 4,816</u>	<u>1.3</u>

Budgeted revenues from land and building rentals increased \$4,316 to reflect actual collection patterns. Pool fees declined by \$17,500. Pool fees along with other recreation fees were increased at the start of fiscal 2003. Actual revenues generated are falling short of projections from the increased fees. Records Processing fee collections are projected to increase \$18,000 due to an increase in rates charged during fiscal 2003. The primary source of this revenue is from police record checks related to federal contractors. General and Administration Fees are charged to offset overhead costs to process miscellaneous billings (e.g. damage to City property as the result of a traffic accident).

Interest and Miscellaneous - Revenues provided from interest and other revenues, budgeted at \$102,500 comprise .3% of total General Fund revenues as outlined below.

	ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
Other Revenues:						
Interest on Investments	\$ 96,755	\$ 120,000	\$ 80,000	\$ 100,000	\$ (20,000)	(16.7)
Miscellaneous	<u>118,839</u>	<u>2,500</u>	<u>500</u>	<u>2,500</u>	<u>0</u>	<u>0.0</u>
Total Other Revenues	<u>\$ 215,594</u>	<u>\$ 122,500</u>	<u>\$ 80,500</u>	<u>\$ 102,500</u>	<u>\$ (20,000)</u>	<u>(16.3)</u>

The \$20,000 budgeted decrease in interest earnings is based on a lower fund balance and interest rates.

Fund Balance Appropriation – In fiscal 1986, the City received \$23.1 million dollars from the United States Department of Energy (DOE) as a settlement to cease annual financial assistance payments from DOE and for ten-years of in-lieu of tax payments. Over the last sixteen fiscal years, the City has gradually drawn down the fund balance created by the DOE settlement in order to maintain a reduced property tax rate. Budgeted revenues, expenditures and operating transfers are balanced in the General Fund through the Fund Balance draw. The fund balance draw for fiscal 2005 is budgeted at \$250,442, which is \$23,502 less than was budgeted for fiscal 2004. The draw should gradually decrease each year until a balanced budget (i.e. revenues equal expenditures and transfers) is reached in the next few years.

General Fund Expenditures

City staff's major focus during the budget process is the expenditures in the General Fund. Since revenue shortfalls must generally be offset by property taxes, the goal of staff is to maintain expenditures at the lowest possible level while continuing to provide quality services to the community. Gross expenditures before Cost Recoveries from other Funds, (refer to schedules on pages II-17 and II-30), are budgeted at \$18,481,976 for fiscal 2005, up \$675,169 or 3.8% from fiscal 2004. Approximately 20% of the General Fund's gross expenditures are transferred to other City Funds or Recovered from Users. General Fund Municipal Expenditures, net of Reduction of Costs, increased \$505,839 or 3.5%, for an appropriated budget amount of \$14,831,115.

The increase in budgeted expenditures is primarily for employee salary and benefits and property insurance. The net General Fund impact of the fiscal 2005 budget modifications is as outlined below:

3% merit wage increase	\$274,000
Retirement	128,000
Liability Insurance	33,000
Medical	26,000
Property Insurance	17,000
Workers Compensation	16,000
Other (Utility and Maintenance)	<u>12,000</u>
Total	<u>\$506,000</u>

Based on strategic guidelines adopted by City Council in February 2003, General Fund municipal expenditures could only increase by 3.5%. Due to these restrictions, the full impact of the 30.14% increase in retirement costs from the Tennessee Consolidated Retirement System, which went from 8.86% to 11.53% of wages, could not be budgeted in fiscal 2005. Approximately \$102,000 of net General Fund costs for retirement has been deferred from budgeting in the General Fund until fiscal 2006. The additional \$102,000 in retirement costs is being funded from existing reserves in the Insurance Fund for fiscal 2005.

Personal Service expenditures budgeted at \$13,089,289 account for 70.8% of total General Fund expenditures. Personal Services are budgeted to increase \$539,560 or 4.3%. The fiscal 2005 budget includes a 3% average merit award to employees budgeted at \$330,363. Under the new pay plan structure enacted during fiscal 2003, COLA's will no longer be awarded. All employee salary increases are now based on each individual employee meeting individual performance criteria. The remaining increase is for retirement, medical and worker compensation costs.

Contractual Services total \$4,617,331 and comprise 25% of total General Fund expenditures. Budgeted funding for Contractual Services increased \$77,710, up 1.7% over the prior fiscal year. Utility services are budgeted at \$1,795,915. Of this amount, \$934,180 is budgeted to maintain traffic and street lighting throughout the City. The Electric Fund pays the cost of initial installation and routine maintenance of traffic and street lighting. Each year the General Fund pays to the Electric Fund an investment charge that is 13% of the net asset value of traffic and street lighting recorded in the Electric Fund. The General Fund pays the actual electric usage charges to operate traffic and streetlights. The remaining \$861,735 budgeted for utility charges includes electric, water, wastewater and gas usage and refuse collection at City owned buildings and telephone and other communication charges. Funding for street and traffic lights is budgeted to increase \$42,680 due to the 7.4% electric rate increase adopted by TVA in fiscal 2004. Utility funding for City facilities is down \$6,060, with efforts being made to absorb the rate increase through reduced consumption.

Vehicle Equipment Usage Charges budgeted at \$674,875 increased \$15,345. This charge provides funding for future vehicle replacement in the form of rent and actual maintenance and operating costs, including fuel. The vehicle rent is paid to the Equipment Replacement Rental Fund to accumulate cash for replacement of City vehicles. Rental charges cease shortly after full depreciation of the asset. Vehicles are replaced on an as needed basis rather than immediately after full depreciation.

\$574,370 is budgeted for custodial services at City buildings (\$224,930), mowing (\$258,970), street sweeping (50,530) and litter pickup along right-of-ways, at City recreational facilities and at other City-owned sites (\$39,940). These services are provided under multiyear contracts that increase annually based on changes in the consumer price index (CPI).

\$596,278 is budgeted for repair and maintenance costs for City buildings, parks, sporting fields and other City facilities and sweeping of City streets. This includes annual maintenance contracts for services such as security systems, sprinkler systems and pest control. The fiscal 2005 budget for these items increased by \$1,734, up .3%.

\$289,154 is budgeted in fiscal 2005 for professional services, a \$2,000 increase over the prior year. Expenditures budgeted here include \$100,000 for communication resources, \$42,600 for personnel costs such as drug screening and medical and psychological exams for police and fire applicants, \$16,000 for housing demolition, \$11,235 for computer training and support services, \$25,502 for the annual independent audit and \$5,830 for outside legal assistance. The remaining \$87,987 budgeted for professional services is spread throughout the General Fund for a variety of services such as engineering, surveys, appraisals, library book binding and instructors for recreational sponsored classes.

The \$156,932 budgeted for travel to schools and conferences by City employees and City Council remains at fiscal 2004 levels. Funding for travel and training includes \$70,094 for police and fire employees, \$26,000 for City Council, \$19,493 for the City Manager and Legal offices and \$17,075 for administrative services.

Funding for the replacement and maintenance of non-vehicle equipment, primarily computers and other small equipment is budgeted at \$217,384. Rents are budgeted at \$121,855 for fiscal 2005, a \$1,900 increase primarily for leasing of small equipment. Rents include \$56,400 for space occupied by the Senior Center, leases for copiers and other equipment and for portable toilets at recreational facilities.

\$80,545 is budgeted for mailing costs, which includes monthly utility and annual property tax bills. All central mailing costs are budgeted in one activity, 854 Stationary Stores, and then the costs for the utility billings are allocated back to the Electric and Waterworks Funds through cost recoveries.

\$55,348 is budgeted for dues, memberships and subscriptions, including library subscription services, \$43,980 for advertising and legal notice publication and \$10,695 for printing costs including the budget document and annual financial report. Funding for these items was increased by \$1,450 for advertising costs.

Commodities total \$561,626 and comprise 3% of total General Fund municipal expenditures. Budgeted funding for commodities increased \$2,530 for uniforms based on contractual increases, with funding for other items remaining at the fiscal 2004 level.

Miscellaneous commodities, small tools and supply purchases are budgeted at \$362,499. Commodity purchases include not only supplies such as printer and copier paper, ribbons, toner cartridges, batteries and cleaning supplies but items such as veterinary supplies and food for the animal shelter, landscaping materials for City parks and sporting fields, chemicals for the indoor and outdoor pool, sanitary gloves for first responder firefighters and ammunition for police.

\$110,342 is budgeted for Library materials including book, CD, cassette and video purchases, \$56,790 for uniforms and \$31,995 for non-Library books and educational materials.

Other Charges total \$213,730 and comprise 1.2% of total General Fund municipal expenditures. \$186,130 is budgeted for property and liability insurance. The City maintains insurance coverage for property and other liabilities through commercial insurance carriers with per incident deductibles ranging from \$2,500 to \$10,000 for common occurrences and a \$50,000 per incident deductible for damage caused by floods or earthquakes. Budgeted insurance costs increased \$55,369 due to current market conditions.

\$22,000 is budgeted for grants and subsidies including \$9,500 to the Oak Ridge Arts Council, \$9,000 for Youth Advisory Board activities, and \$3,500 for the Secret City Festival.

No capital expenditures are budgeted for fiscal 2005. All major general capital projects are funded through the issuance of long-term debt and accounted for in the Capital Projects Fund.

Reduction of Costs includes two components, Recovered from Users and Recovered from Funds. Costs that are recovered from specific users include billings for a police officer to be present at a non-City sponsored event that recover the officer's overtime and fees for special classes or programs that the City sponsors for which the costs for the class or program will fully or almost fully be recovered by fees. This has allowed the City to sponsor one-time or new classes without impacting the legal appropriation. Funds recovered from users are budgeted to increase \$16,811 or 3.9%.

Recovered from Funds includes the transfer of expenditures to other City Funds based on the percentage of work performed by that activity for another City Fund. For Example, Activity 862, Finance performs the accounting, purchasing and warehousing etc, functions to support the operations of all City Funds. Finance transfers 34% of its gross expenditures to the Electric Fund, 28% to the Waterworks Fund, and 4% to the State Street Aid Fund with a net of 34% remaining in the General Fund. The transfer percentage is based on the level of work provided by that activity for each Fund. The costs that are transferred to the other Funds are included as expenditures/expenses in those Funds and funded by the revenue source for that Fund (i.e. Electric Fund from user electric fees). Reduction of Costs totaled \$3,201,850 for fiscal 2005, up \$152,519 or 5.0%.

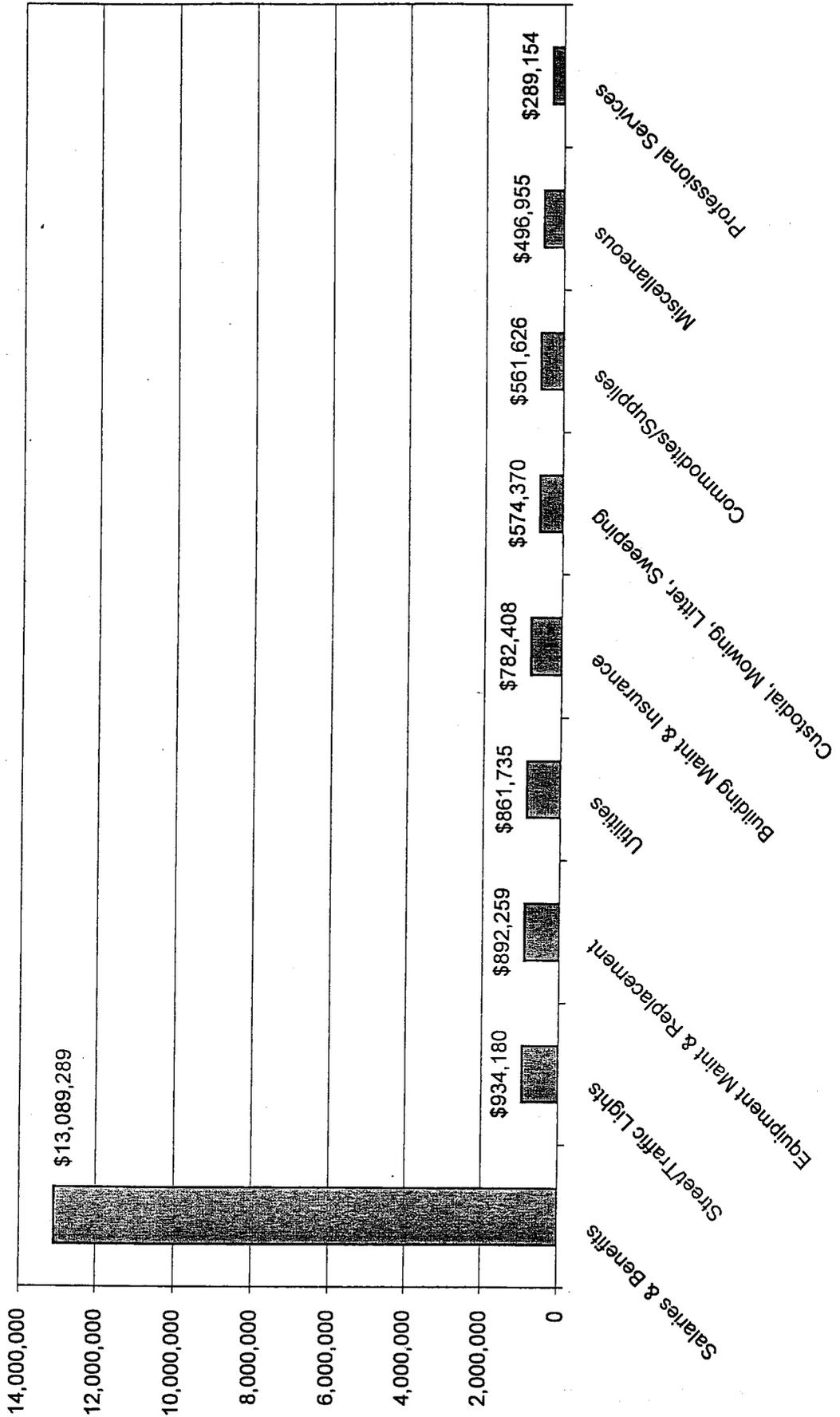
GENERAL FUND
SUMMARY OF GROSS EXPENDITURES AND TRANSFERS BY OBJECT CODE CLASSIFICATION

	ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
<u>PERSONAL SERVICES:</u>						
5111 Salaries-Regular Employees	8,632,718	8,688,663	8,539,376	8,993,644	304,981	3.5
5120 Salaries-Temporary Employees	253,531	301,890	279,888	279,595	(22,295)	-7.4
5131 Regular Overtime Pay	692,324	499,940	604,500	526,135	26,195	5.2
5141 Social Security	728,601	726,183	720,145	751,565	25,382	3.5
5150 Retirement	862,064	814,074	814,706	970,718	156,644	19.2
5160 Medical & Workers' Compensation	1,369,246	1,518,979	1,518,979	1,567,632	48,653	3.2
Total Personal Services	12,538,484	12,549,729	12,477,594	13,089,289	539,560	4.3
<u>CONTRACTUAL SERVICES:</u>						
5201 Rents	111,071	119,955	121,605	121,855	1,900	1.6
5205 Printing & Duplicating Charges	5,586	10,695	10,695	10,695	0	0.0
5206 Mailing & Delivery	74,811	80,545	80,545	80,545	0	0.0
5207 Dues, Memberships and Subscript.	62,630	55,348	55,348	55,348	0	0.0
5210 Professional and Contractual Services	297,688	287,154	299,154	289,154	2,000	0.7
5210 Custodial Contract	201,282	223,221	201,208	224,930	1,709	0.8
5210 Mowing Contract	244,627	260,020	251,410	258,970	(1,050)	-0.4
5210 Litter Contract	47,846	49,420	49,057	50,530	1,110	2.2
5236 Street Sweeping	84,057	39,950	37,895	39,940	(10)	0.0
5211 Advertising and Publicity	53,817	42,530	42,530	43,980	1,450	3.4
5212 Utility Services	755,464	867,795	824,667	861,735	(6,060)	-0.7
5212 Street & Traffic Lights	851,385	891,500	890,000	934,180	42,680	4.8
5220 Travel, Schools and Conferences	107,890	156,932	156,932	156,932	0	0.0
5235 Repair & Maintenance	807,641	594,544	584,224	596,278	1,734	0.3
5236 Other Equipment Maintenance	191,912	200,482	200,482	217,384	16,902	8.4
5289 Vehicle/Equipment Use Charges	643,995	659,530	659,530	674,875	15,345	2.3
Total Contractual Services	4,541,702	4,539,621	4,465,282	4,617,331	77,710	1.7
<u>COMMODITIES:</u>						
5310 Commodities/Tools/Supplies	451,046	362,499	362,499	362,499	0	0.0
5320 Books/Education Materials	23,133	31,995	31,995	31,995	0	0.0
5320 Library Materials	105,245	110,342	110,342	110,342	0	0.0
5325 Uniforms/Clothing	54,303	54,260	56,390	56,790	2,530	4.7
Total Commodities	633,727	559,096	561,226	561,626	2,530	0.5
<u>OTHER CHARGES:</u>						
5410 Insurance	108,420	130,761	130,761	186,130	55,369	42.3
5430 Grants/Subsidies/Contributions	24,796	22,000	22,000	22,000	0	0.0
5499 Elections/Contingency/Other	19,798	5,600	5,600	5,600	0	0.0
Total Other Charges	153,014	158,361	158,361	213,730	55,369	35.0
<u>CAPITAL EXPENDITURES:</u>						
	(5,484)	0	0	0	0	0.0
TOTAL GROSS EXPENDITURES	17,861,443	17,806,807	17,662,463	18,481,976	675,169	3.8
<u>REDUCTION OF COSTS:</u>						
5610 Recovered from Users	(194,971)	(432,200)	(448,731)	(449,011)	(16,811)	3.9
5670 Recovered from Funds	(3,067,176)	(3,049,331)	(2,923,687)	(3,201,850)	(152,519)	5.0
Total Reduction of Costs	(3,262,147)	(3,481,531)	(3,372,418)	(3,650,861)	(169,330)	4.9
TOTAL MUNICIPAL EXPENDITURES	14,599,296	14,325,276	14,290,045	14,831,115	505,839	3.5
<u>OPERATING TRANSFERS:</u>						
5710 Operating Transfers	18,922,778	18,592,501	18,484,491	18,616,741	24,240	0.1
TOTAL NET EXPENDITURES	33,522,074	32,917,777	32,774,536	33,447,856	530,079	1.6

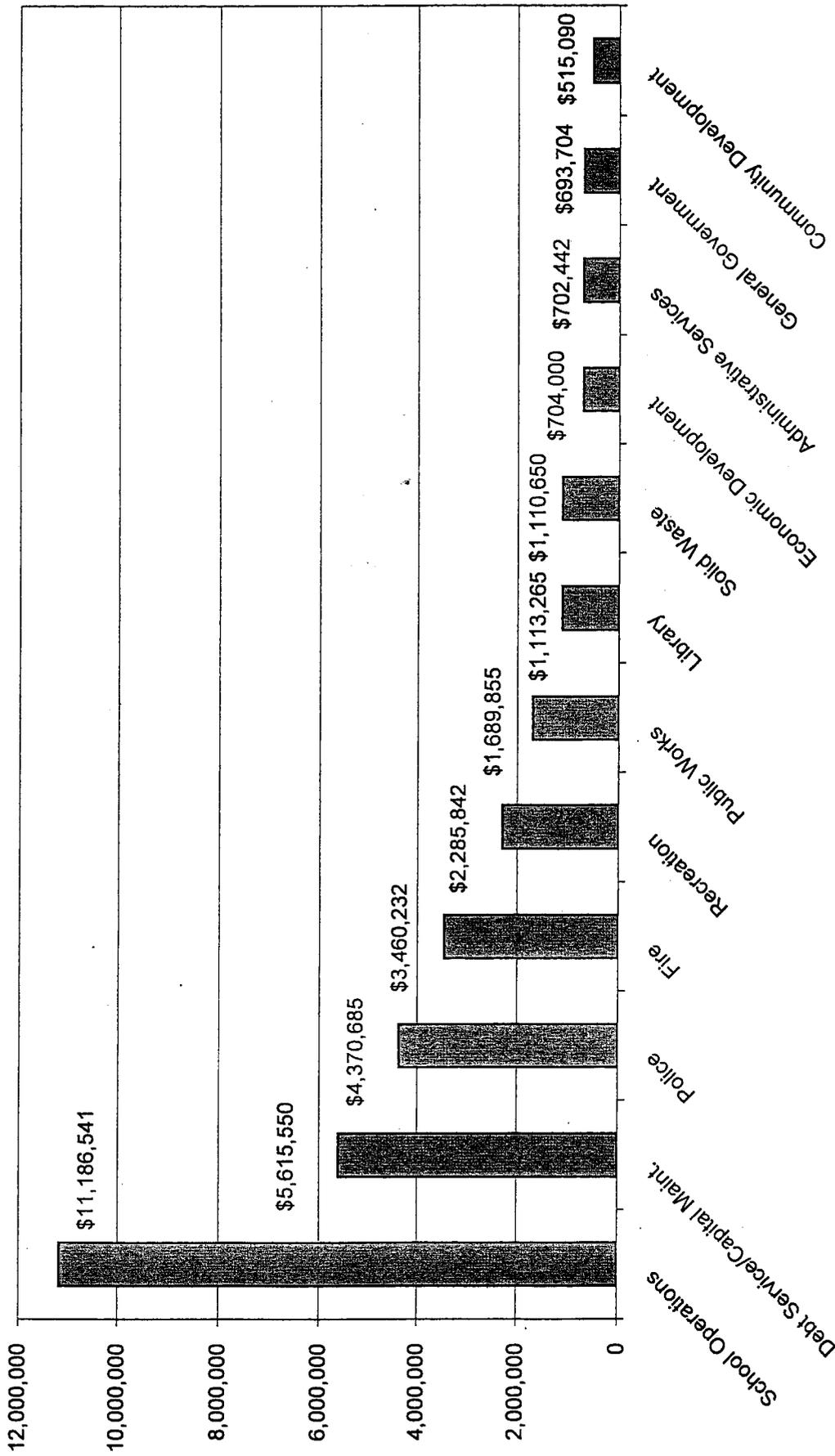
**GENERAL FUND EXPENDITURES AND OPERATING TRANSFERS
FISCAL 2005 BUDGET**

	<u>BUDGET 2005</u>	<u>PERCENT OF GROSS</u>	<u>ACCUMULATED PERCENT OF GROSS</u>
Personal Services (Salaries, FICA Retirement, Insurance)	\$ 13,089,289	35.28	
Oak Ridge School Operations	11,186,541	30.15	65.44
Debt Service (Principal & Interest) City & Schools	4,035,550	10.88	76.31
Residential Garbage & Convenience Center	1,110,650	2.99	79.31
Capital Maintenance Funding City & Schools	1,080,000	2.91	82.22
Streets Lights and Traffic Lights	934,180	2.52	84.74
Equipment Maintenance, Operation & Replacement (Vehicle & Computer)	892,259	2.41	87.14
Utilities (Electric, Water, Sewer, Phones)	861,735	2.32	89.46
Repairs & Maintenance (Buildings)	596,278	1.61	91.07
Custodial, Mowing, Litter Pick-Up & Street Sweeping Contracts	574,370	1.55	92.62
Economic Development	525,650	1.42	94.04
Street Resurfacing	500,000	1.35	95.38
Commodities (Including Small Tools & Supplies)	362,499	0.98	96.36
Professional and Contractual Services	289,154	0.78	97.14
Insurance (Property & Liability)	186,130	0.50	97.64
Social Service Grants	168,350	0.45	98.10
Training & Conferences	156,932	0.42	98.52
Rents (Including Senior Center)	121,855	0.33	98.85
Library Materials	110,342	0.30	99.15
Mailing & Delivery	80,545	0.22	99.36
Uniforms/Clothing	56,790	0.15	99.52
Dues, Memberships and Subscriptions	55,348	0.15	99.67
Advertising and Publicity (includes Legal Notices)	43,980	0.12	99.78
Books/Education Materials	31,995	0.09	99.87
Other Grants/Subsidies/Contributions	22,000	0.06	99.93
Printing & Dup. Charges	10,695	0.03	99.96
Street & Public Transportation	10,000	0.03	99.98
Contingency/Election/Other	5,600	0.02	100.00
GROSS EXPENDITURES AND OPERATING TRANSFERS	<u>37,098,717</u>		
Costs Recovered From Users	(449,011)		
Costs Transferred to Other City Funds	<u>(3,201,850)</u>		
NET EXPENDITURES AND OPERATING TRANSFERS	<u>\$ 33,447,856</u>		

**General Fund Municipal Expenditures By Type
Budget 2005**



**General Fund Expenditures and Operating Transfers
Budget 2005**



By Function

General Fund Operating Transfers

Operating Transfers are transfers of General Fund revenues to other City Funds to help finance that Fund's operating expenditures. Operating Transfers are budgeted at \$18,616,741, up 0.1% or \$24,240 in fiscal 2005.

The largest single use of General Fund revenues is the operating transfer to the Oak Ridge Schools, which is 33.4% of total General Fund expenditures and Operating Transfers. The School Board has requested an operating transfer to the Schools of \$11,186,541 for fiscal 2005. This is a \$540,299 increase of 5.1% over the fiscal 2004 amount. This operating transfer will finance approximately 26.7% of the General Purpose School Fund's budgeted expenditures for fiscal 2005.

\$4,035,550 is budgeted for transfer to the Debt Service Fund for annual principal and interest payments on outstanding long-term debt issued to finance City and School Capital Projects. This is a \$1,065 increase over the prior fiscal year. The City refunded major portions of the debt during the spring of fiscal 2003. There are no new debt issuances financed from operating transfers from the General Fund budgeted for fiscal 2005.

\$1,110,650 is budgeted for transfer to the Solid Waste Fund in fiscal 2005 a \$2,140 increase. This funds a portion of the costs for residential refuse collection and the operations of a convenience center. These services are provided under a long-term contract with Waste Connections of Tennessee, which contains an annual contract price escalator based on the consumer price index. Residential users also pay a \$5 per month fee for residential refuse collection that is direct revenue to the Solid Waste Fund.

In fiscal 2000, the Economic Diversification (ED) Fund was established to centralize economic development and social service activities funded by the City. The primary revenue stream for the ED Fund is operating transfers from the General, Electric and Waterworks Funds. The General Fund is budgeted to transfer \$694,000 to the ED Fund in fiscal 2005, up \$14,236 or 2.1%. The increase is to fund outside contracts for economic development services.

As the City's physical facilities continue to age, it has become more apparent that the City cannot continue to borrow the funds necessary for the maintenance and replacement of these facilities at the current pace. Over the past 10 years, the City has committed over \$60 million in tax-supported debt to pay for capital improvements, maintenance and replacement of facilities. Capital maintenance and facility replacement will continue to be a major drain on the City's resources in the future. In fiscal 2000, the City established a \$410,000 transfer from the General Fund to the Capital Projects Fund to begin the initial funding for this annual reserve. Without this reserve, the full cost of maintaining and replacing major assets must be paid through the use of borrowed funds. With annual General Fund debt service payments approaching \$5 million, equal to about \$1.00 on the property tax rate, City staff has expressed the concern that it will be difficult for the City to continue borrowing at this pace. In fiscal 2005, \$1,080,000 is budgeted for transfer to the Capital Projects Fund for this reserve to finance future capital maintenance. The intent is for this to be an annual transfer that gradually increases to approximately \$1.5 million per year.

The revenues of the State Street Aid Fund (SSAF) are insufficient to finance expenditure levels recorded in that Fund for street paving and routine street maintenance. In fiscal 1995, the City began a major Pavement Management Program with long-term goals of the program to provide adequate maintenance to City streets in order to prevent or prolong the need for more expensive street reconstruction. Funding for this program and other street maintenance costs are to be provided

through operating transfers from the General Fund budgeted at \$500,000 in fiscal 2005. This is a \$60,650 reduction from fiscal 2004 levels. In fiscal 2004, the budgeted operating transfer was increased in anticipation of a reduction in state-shared tax revenues to the SSAF based on the governor's then proposed budget. Reductions in street related state-shared tax revenues did not occur in the final 2004 State budget. The \$60,650 in additional budgeted funds were not transferred to the SSAF in fiscal 2004 and the fiscal 2005 budget was reduced by a like amount.

In fiscal 2004, the General Fund transferred \$500,000 to the Golf Course Fund for the annual debt service payment on debt issued by the City to construct a golf course. The Bonds issued to construct the course are backed by the full faith and credit of the City as well as by the proceeds from operation of the Course and the sale of land surrounding the course. It is anticipated that the remaining land surrounding the Golf Course will be sold in fiscal 2004 and the proceeds from the sale will be used to fund the fiscal 2005 debt service payment.

Salaries and Personnel

Fiscal 2005 authorized City employment remains at the fiscal 2004 level of 348.64 staff years. The fiscal 2005 budget contains funding for an average award of 3% in merit pay to City employees. During fiscal 2003, a new pay plan was enacted and cost-of-living adjustments (COLA) are no longer being awarded to City employees. Salary increases to City employees are based on each employee's performance during the past fiscal year and requires employees to meet performance criteria specific to their position.

Employees of the City are members of the benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS), which provides retirement benefits as well as death and disability benefits. The plan is fully funded by the City based on rates actuarially determined by TCRS on a biennial basis. The fiscal 2005 rate for the City's plan increased by 30.14% from 8.86% to 11.53% of covered wages. The fiscal 2005 budget projects that medical insurance will increase by approximately 20% on January 1, 2005 with 10% of this amount occurring in fiscal 2005.

Fiscal 2005 Agency Funding

The City provides funding to various agencies that either promote economic development and/or tourism-related services for the City, or render services to the citizens of Oak Ridge. Agencies budgeted for funding for economic development and/or tourism services are the Convention & Visitors Bureau (CVB) at \$334,000, Oak Ridge Chamber of Commerce at \$201,765, Melton Hill Regional Industrial Development Association (MHRIDA) at \$15,000 and Roane Alliance at \$10,000.

Agencies budgeted for social service/cultural programs funding include Aid to Distressed Families of Appalachian Counties (ADFAC) (\$136,500), Anderson County Health Council (ACHC) for the Healthy Start program (\$31,850), Arts Council of Oak Ridge (\$9,500), and Youth Advisory Board (\$9,000).

Funding for most agencies remained at the fiscal 2004 level, with the exception of the CVB, which increased \$52,058 based on higher actual hotel/motel tax collections in fiscal 2003, and the Chamber whose funding increased by \$5,682 or 2.9%.

GENERAL FUND
SUMMARY OF REVENUES BY SOURCE

	ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
<u>TAXES:</u>						
Property Taxes:						
4101 General Property Taxes:						
4110 Real Property Taxes	13,302,682	13,501,000	13,241,000	13,779,000	278,000	2.1
4225 Personal Property	1,363,014	1,336,000	1,344,000	1,358,000	22,000	1.6
4120 Public Utilities	332,285	323,000	270,000	270,000	(53,000)	-16.4
4125 Interest and Penalties	302,022	110,000	175,000	110,000	0	0.0
Total Property Taxes	15,300,003	15,270,000	15,030,000	15,517,000	247,000	1.6
Other Property Taxes:						
4130 Other than Assessed	15,427	21,000	15,500	21,000	0	0.0
4135 Tax Equiv. - Elec. Fund	1,154,452	1,213,000	1,187,321	1,246,687	33,687	2.8
4140 Tax Equiv. - Waterworks Fund	1,299,891	1,312,000	1,289,064	1,280,795	(31,205)	-2.4
Total Other Property Taxes	2,469,770	2,546,000	2,491,885	2,548,482	2,482	0.1
Other Taxes:						
4151 Gross Receipts Bus. Taxes:						
4155 Beer Wholesale Tax	519,676	510,000	530,000	540,000	30,000	5.9
4160 Liquor Wholesale Tax	188,913	195,000	189,000	190,000	(5,000)	-2.6
4165 Room Occupancy Tax - 5%	366,023	355,000	350,000	355,000	0	0.0
4170 Gross Receipts (Business Taxes)	695,961	770,000	800,000	800,000	30,000	3.9
4180 Penalty & Interest Business Tax	8,264	8,000	8,500	8,000	0	0.0
4187 City Sales Tax - Roane Co.	227,680	210,000	198,000	202,000	(8,000)	-3.8
Total Other Taxes	2,006,517	2,048,000	2,075,500	2,095,000	47,000	2.3
TOTAL TAXES	19,776,290	19,864,000	19,597,385	20,160,482	296,482	1.5
<u>LICENSES AND PERMITS:</u>						
4205 Beer & Liquor Licenses & Permits	19,145	20,000	20,000	20,000	0	0.0
4225 Building Permits	107,590	120,000	110,000	125,000	5,000	4.2
4230 Electrical Permits	25,719	26,000	26,000	26,000	0	0.0
4235 Plumbing Permits	20,058	22,000	22,000	22,000	0	0.0
4250 Animal Registration Permits	16,402	17,000	17,000	17,000	0	0.0
4260 Other Permits and Fees	8,443	10,000	10,000	10,000	0	0.0
TOTAL LICENSES & PERMITS	197,357	215,000	205,000	220,000	5,000	2.3
<u>INTERGOVERNMENTAL:</u>						
4311 D.O.E. In-Lieu of Tax Shared State Taxes:	1,297,898	1,273,952	1,266,995	1,266,995	(6,957)	-0.5
4310 TVA Replacement Tax	181,643	170,170	184,147	185,000	14,830	8.7
4320 Sales Tax	1,657,368	1,551,550	1,602,000	1,638,000	86,450	5.6
4325 Income Tax	317,971	373,100	320,000	323,000	(50,100)	-13.4
4340 Excise Tax	39,053	36,400	38,000	40,000	3,600	9.9
4345 Beer Barrelage	14,232	12,740	14,500	15,000	2,260	17.7
4350 Mixed Drink Tax	85,619	72,800	72,800	73,000	200	0.3
4355 State Grants in Aid	115,385	0	0	0	0	0.0
County Shared Sales Taxes:						
4366 Anderson County	5,778,023	5,880,000	5,975,000	6,095,000	215,000	3.7
4370 Roane County	1,127,015	1,035,000	982,000	1,002,000	(33,000)	-3.2
TOTAL INTERGOVERNMENTAL	10,614,207	10,405,712	10,455,442	10,637,995	232,283	2.2

GENERAL FUND
SUMMARY OF REVENUES BY SOURCE

	<u>ACTUAL</u> 2003	<u>BUDGET</u> 2004	<u>PROJECTED</u> 2004	<u>BUDGET</u> 2005	<u>BUDGET</u> 05 vs 04	<u>%</u> <u>CHANGE</u>
<u>CHARGES FOR SERVICES:</u>						
Charges for Current Services:						
4405 Records Processing	35,032	17,000	35,000	35,000	18,000	105.9
4417 General & Admin. Costs	23,390	20,000	20,000	20,000	0	0.0
4425 Library - Lost Books	2,514	3,000	3,000	3,000	0	0.0
4430 Animal Shelter Fees	37,608	38,000	37,000	38,000	0	0.0
Total Charges for Current Services	98,544	78,000	95,000	96,000	18,000	23.1
Use of Property Services:						
4440 Activities	10,583	10,000	10,000	10,000	0	0.0
4450 Outdoor Pool	75,876	85,000	70,000	75,000	(10,000)	-11.8
4455 Indoor Pool	53,581	62,500	55,000	55,000	(7,500)	-12.0
4460 Rental of Lands & Buildings	122,135	110,684	120,000	125,000	14,316	12.9
4466 Central Service & Municipal Bldg	892,732	892,732	892,732	892,732	0	0.0
4482 City Owned Radios	118,045	118,705	118,045	118,705	0	0.0
4485 Community Center Building	21,785	35,000	25,000	25,000	(10,000)	-28.6
Total Use of Property Services	1,294,737	1,314,621	1,290,777	1,301,437	(13,184)	-1.0
TOTAL CHARGES FOR SERVICES	1,393,281	1,392,621	1,385,777	1,397,437	4,816	0.3
<u>FINES, PENALTIES</u>						
<u>AND FORFEITURES:</u>						
4505 City Court - Fines	51,394	60,000	75,000	70,000	10,000	16.7
4510 City Court - Costs	39,660	35,000	40,000	40,000	5,000	14.3
4515 Bail Forfeitures	174,691	150,000	175,000	165,000	15,000	10.0
4519 Misc. Court Revenues	4,001	4,000	4,000	4,000	0	0.0
4520 Library - Fines	61,323	70,000	59,000	60,000	(10,000)	-14.3
TOTAL FINES, PENALTIES,						
& FORFEITURES	331,069	319,000	353,000	339,000	20,000	6.3
<u>OTHER REVENUES:</u>						
4610 Interest on Investments	96,755	120,000	80,000	100,000	(20,000)	-16.7
4710 CATV Franchise	276,810	265,000	280,000	280,000	15,000	5.7
4750 Right-of-Way	60,000	60,000	60,000	60,000	0	0.0
4790 Miscellaneous	3,454	2,500	500	2,500	0	0.0
TOTAL OTHER REVENUES	437,019	447,500	420,500	442,500	(5,000)	-1.1
TOTAL CURRENT						
MUNICIPAL REVENUES	32,749,223	32,643,833	32,417,104	33,197,414	553,581	1.7
FUND BALANCE APPROPRIATION	772,851	273,944	357,432	250,442	(23,502)	-8.6
TOTAL REVENUES	33,522,074	32,917,777	32,774,536	33,447,856	530,079	1.6

GENERAL FUND

**SUMMARY OF EXPENDITURES AND TRANSFERS
BY DEPARTMENTS AND ACTIVITIES**

	<u>ACTUAL</u> <u>2003</u>	<u>BUDGET</u> <u>2004</u>	<u>PROJECTED</u> <u>2004</u>	<u>BUDGET</u> <u>2005</u>	<u>BUDGET</u> <u>05 vs 04</u>	<u>%</u> <u>CHANGE</u>
<u>General Government:</u>						
810 City Council	80,512	73,201	73,201	75,466	2,265	3.1
816 City Clerk	119,382	114,762	106,342	108,844	(5,918)	-5.2
820 City Manager	191,988	206,755	206,399	221,534	14,779	7.1
832 City Court	100,786	105,132	105,563	109,979	4,847	4.6
843 Legal	169,509	172,074	170,418	177,881	5,807	3.4
Total General Government	<u>662,177</u>	<u>671,924</u>	<u>661,923</u>	<u>693,704</u>	<u>21,780</u>	<u>3.2</u>
<u>Administrative Services:</u>						
845 Computer Services	194,430	213,510	198,468	217,270	3,760	1.8
846 Personnel	194,288	192,895	186,325	199,946	7,051	3.7
854 Stationery Stores	76,112	79,784	79,387	80,829	1,045	1.3
862 Finance	204,364	206,551	190,559	144,585	(61,966)	-30.0
864 Business Office	43,679	46,595	44,072	59,812	13,217	28.4
Total Administrative Services	<u>712,873</u>	<u>739,335</u>	<u>698,811</u>	<u>702,442</u>	<u>(36,893)</u>	<u>-5.0</u>
<u>Police Department:</u>						
910 Supervision	158,539	171,643	170,261	176,477	4,834	2.8
911 Investigations	500,489	502,270	506,775	517,698	15,428	3.1
912 Staff Services	367,852	347,807	365,994	384,871	37,064	10.7
913 Patrol	2,609,290	2,565,058	2,586,643	2,715,076	150,018	5.8
915 Emergency Communications	319,672	219,754	221,070	235,869	16,115	7.3
916 Animal Control	198,926	234,452	224,052	222,921	(11,531)	-4.9
917 School Resource Officer Program	180,855	118,571	116,582	117,773	(798)	-0.7
Total Police Department	<u>4,335,623</u>	<u>4,159,555</u>	<u>4,191,377</u>	<u>4,370,685</u>	<u>211,130</u>	<u>5.1</u>
<u>Fire Department:</u>						
921 Supervision	164,196	163,851	163,785	169,982	6,131	3.7
922 Fire Prevention	100,619	102,090	102,303	103,536	1,446	1.4
923 Fire Fighting	2,852,530	2,778,780	2,881,399	2,942,606	163,826	5.9
924 Fire Stations	90,909	88,416	85,285	87,151	(1,265)	-1.4
925 Fire Specialists	151,143	151,600	150,283	156,957	5,357	3.5
Total Fire Department	<u>3,359,397</u>	<u>3,284,737</u>	<u>3,383,055</u>	<u>3,460,232</u>	<u>175,495</u>	<u>5.3</u>
<u>Public Works Department:</u>						
930 Supervision	92,929	81,156	69,269	79,818	(1,338)	-1.6
935 Engineering	137,195	146,744	129,741	157,768	11,024	7.5
942 State Highway Maintenance	82,770	55,509	53,959	55,809	300	0.5
943 General Maintenance	355,221	205,960	202,630	205,920	(40)	0.0
946 Central Service Center	94,513	99,305	98,101	105,140	5,835	5.9
948 Municipal Building	116,545	129,823	127,874	130,920	1,097	0.8
953 Traffic Control and Lights	874,137	911,800	910,300	954,480	42,680	4.7
Total Public Works Department	<u>1,753,310</u>	<u>1,630,297</u>	<u>1,591,874</u>	<u>1,689,855</u>	<u>59,558</u>	<u>3.7</u>

GENERAL FUND

**SUMMARY OF EXPENDITURES AND TRANSFERS
BY DEPARTMENTS AND ACTIVITIES**

	<u>ACTUAL 2003</u>	<u>BUDGET 2004</u>	<u>PROJECTED 2004</u>	<u>BUDGET 2005</u>	<u>BUDGET 05 vs 04</u>	<u>% CHANGE</u>
<u>Community Development</u>						
960 Supervision	104,856	108,722	108,832	112,892	4,170	3.8
962 Planning	111,120	90,872	91,016	94,390	3,518	3.9
966 Office of Neighborhood Improvement	285,446	297,053	295,381	307,808	10,755	3.6
Total Community Development	<u>501,422</u>	<u>496,647</u>	<u>495,229</u>	<u>515,090</u>	<u>18,443</u>	<u>3.7</u>
<u>Recreation and Parks Department:</u>						
970 Supervision	246,239	245,650	243,628	251,960	6,310	2.6
972 Indoor Aquatics	149,505	180,936	162,476	180,288	(648)	-0.4
973 Outdoor Aquatics	203,571	232,708	218,047	219,010	(13,698)	-5.9
974 Centers, Camps & Programs	681,973	577,674	578,239	591,467	13,793	2.4
975 Athletics	48,994	59,659	58,754	62,699	3,040	5.1
976 Parks	681,815	612,708	597,697	620,779	8,071	1.3
977 Scarboro Center	0	108,623	94,169	113,475	4,852	100.0
978 Senior Center	216,878	239,414	237,686	246,164	6,750	2.8
Total Recreation and Parks Department	<u>2,228,975</u>	<u>2,257,372</u>	<u>2,190,696</u>	<u>2,285,842</u>	<u>28,470</u>	<u>1.3</u>
979 Public Library	<u>1,045,519</u>	<u>1,085,409</u>	<u>1,077,080</u>	<u>1,113,265</u>	<u>27,856</u>	<u>2.6</u>
TOTAL MUNICIPAL EXPENDITURES	<u>14,599,296</u>	<u>14,325,276</u>	<u>14,290,045</u>	<u>14,831,115</u>	<u>505,839</u>	<u>3.5</u>
<u>Operating Transfers:</u>						
991 State Street Aid Fund	500,000	560,650	500,000	500,000	(60,650)	-10.8
991 Street & Public Transportation Fund	0	5,850	10,000	10,000	4,150	100.0
992 Capital Projects Fund	711,000	1,057,000	1,057,000	1,080,000	23,000	2.2
994 Golf Course Fund	713,000	500,000	500,000	0	(500,000)	-100.0
996 Economic Diversification Fund	1,146,665	679,764	679,764	694,000	14,236	2.1
997 Debt Service	4,213,207	4,034,485	4,034,485	4,035,550	1,065	0.0
998 Solid Waste	992,664	1,108,510	1,057,000	1,110,650	2,140	0.2
999 Oak Ridge Schools	<u>10,646,242</u>	<u>10,646,242</u>	<u>10,646,242</u>	<u>11,186,541</u>	<u>540,299</u>	<u>5.1</u>
TOTAL OPERATING TRANSFERS	<u>18,922,778</u>	<u>18,592,501</u>	<u>18,484,491</u>	<u>18,616,741</u>	<u>24,240</u>	<u>0.1</u>
TOTAL EXPENDITURES AND OPERATING TRANSFERS	<u>33,522,074</u>	<u>32,917,777</u>	<u>32,774,536</u>	<u>33,447,856</u>	<u>530,079</u>	<u>1.6</u>

FY 2005 GENERAL FUND BUDGET - TRANSFERS TO OTHER FUNDS,
INTERDEPARTMENTAL CREDITS AND COSTS RECOVERED

	GROSS BUDGET	ELECTRIC FUND	WATERWORKS FUND		STATE STREET AID FUND	COSTS RECOVERED	GENERAL FUND		
			WATER	WASTEWATER					
GENERAL GOVERNMENT:									
810 City Council	106,290	16%	7%	7,440	6%	6,377	0	71%	75,466
816 City Clerk	153,302	16%	7%	10,731	6%	9,198	0	71%	108,844
820 City Manager's Office	443,069	25%	12%	53,168	12%	53,168	1%	4,432	221,534
832 City Court	109,979	0	0	0	0	0	0	100%	109,979
843 Legal	250,537	16%	7%	17,538	6%	15,032	0	71%	177,881
TOTAL GENERAL GOVERNMENT	1,063,177	18%	8%	88,877	8%	83,775	0	4,432	693,704
ADMINISTRATIVE SERVICES:									
845 Computer Services	658,395	31%	20%	131,679	16%	105,343	0	33%	217,270
846 Personnel	317,374	15%	8%	25,390	10%	31,737	4%	12,695	199,946
854 Stationary Stores	192,450	24%	17%	32,717	17%	32,717	0	42%	80,829
862 Finance	473,871	34%	16%	75,819	12%	56,865	4%	18,955	144,585
864 Business Office	852,988	43%	27%	230,307	23%	196,187	0	7%	59,812
TOTAL ADMINISTRATIVE SERVICES	2,495,078	33%	20%	495,912	17%	422,849	1%	31,650	702,442
POLICE DEPARTMENT:									
910 Supervision	176,477	0	0	0	0	0	0	100%	176,477
911 Investigations	517,698	0	0	0	0	0	0	100%	517,698
912 Staff Services	384,871	0	0	0	0	0	0	100%	384,871
913 Patrol	2,733,576	0	0	0	0	0	0	99%	2,715,076
915 Emergency Communications	432,336	12%	6%	25,940	2%	8,647	0	47%	110,000
916 Animal Control	255,921	0	0	0	0	0	0	13%	33,000
917 School Resource Officer	117,773	0	0	0	0	0	0	100%	117,773
TOTAL POLICE DEPARTMENT	4,618,652	1%	1%	25,940	0%	8,647	0	3%	161,500
FIRE DEPARTMENT:									
921 Supervision	169,982	0	0	0	0	0	0	100%	169,982
922 Fire Prevention	103,536	0	0	0	0	0	0	100%	103,536
923 Fire Fighting	2,942,606	0	0	0	0	0	0	100%	2,942,606
924 Fire Stations	87,151	0	0	0	0	0	0	100%	87,151
925 Fire Specialists	156,957	0	0	0	0	0	0	100%	156,957
TOTAL FIRE DEPARTMENT	3,460,232	0	0	0	0	0	0	100%	3,460,232

FY 2005 GENERAL FUND BUDGET - TRANSFERS TO OTHER FUNDS,
INTERDEPARTMENTAL CREDITS AND COSTS RECOVERED

	GROSS BUDGET	ELECTRIC FUND		WATERWORKS FUND		STATE STREET AID FUND	COSTS RECOVERED	GENERAL FUND					
		WATER	WASTEWATER	WATER	WASTEWATER								
<u>PUBLIC WORKS DEPARTMENT:</u>													
930 Supervision	295,621	0	27%	79,818	31%	91,642	15%	44,343	0	27%	79,818		
935 Engineering	315,536	10%	31,554	10%	31,554	15%	47,330	15%	47,330	0	157,768		
942 State Highway Maintenance	179,089	0	0	0	0	0	0	0	0	69%	123,280		
943 General Maintenance	205,920	0	0	0	0	0	0	0	0	100%	205,920		
946 Central Services Complex	438,085	42%	183,996	18%	78,855	10%	43,809	6%	26,285	0	105,140		
948 Municipal Building	192,530	15%	28,880	9%	17,328	8%	15,402	0	0	0	130,920		
953 Traffic Control & Lighting	954,480	0	0	0	0	0	0	0	0	100%	954,480		
TOTAL PUBLIC WORKS	2,581,261	9%	244,430	8%	207,555	8%	198,183	5%	117,958	5%	123,280	65%	1,689,855
<u>COMMUNITY DEVELOPMENT DEPARTMENT:</u>													
960 Supervision	194,641	13%	25,302	13%	25,303	16%	31,144	0	0	0	0	58%	112,892
962 Planning	145,215	13%	18,877	11%	15,974	11%	15,974	0	0	0	0	65%	94,390
966 Office of Neighborhood Improvement	383,913	0	0	9%	34,553	9%	34,552	0	0	2%	7,000	80%	307,808
TOTAL COMMUNITY DEVELOPMENT	723,769	6%	44,179	10%	75,830	11%	81,670	0	0	1%	7,000	71%	515,090
<u>RECREATION & PARKS DEPARTMENT:</u>													
970 Supervision	251,960	0	0	0	0	0	0	0	0	100%	0	100%	251,960
972 Indoor Aquatics	206,288	0	0	0	0	0	0	0	0	13%	26,000	87%	180,288
973 Outdoor Aquatics	221,210	0	0	0	0	0	0	0	0	1%	2,200	99%	219,010
974 Centers, Camps & Programs	672,127	0	0	0	0	0	0	0	0	12%	80,660	88%	591,467
975 Athletics	65,199	0	0	0	0	0	0	0	0	4%	2,500	96%	62,699
976 Parks	645,779	0	0	0	0	0	0	0	0	4%	25,000	96%	620,779
977 Scarboro Center	116,815	0	0	0	0	0	0	0	0	3%	3,340	97%	113,475
978 Senior Center	247,164	0	0	0	0	0	0	0	0	1%	1,000	100%	246,164
TOTAL RECREATION & PARKS DEPARTMENT	2,426,542	0	0	0	0	0	0	0	0	4%	140,700	94%	2,285,842
<u>PUBLIC LIBRARY:</u>													
979 Public Library	1,113,265	0	0	0	0	0	0	0	0	0	0	100%	1,113,265
GRAND TOTAL	18,481,976	7%	1,358,572	5%	894,114	4%	795,124	1%	154,040	2%	449,011	80%	14,831,115

Multiyear Model

The City utilizes a multiyear model to calculate the required current budget year property tax rate and forecast future year property tax rates based on projected levels of General Fund revenues, expenditures and operating transfers. Debt service on long-term debt, excluding that of Proprietary Funds, is an intricate part of the multiyear model and is directly related to increases in the current and future property tax rates.

The multiyear model was designed to be used as a long range planning tool for establishing a proposed property tax rate during the annual budget review process. The multiyear model is only concerned with the revenues, expenditures and operating transfers of the General Fund since only these items impact the property tax rate. The multiyear model on page II-35 contains projected revenues, expenditures and operating transfers through fiscal 2009. The model contains debt service requirements for the General Fund on existing long-term debt issuances, as well as projected debt service on the capital included in the City's 2005-2010 Capital Improvements Program Document. All major capital projects have been delayed in order to maintain the current property tax rate. The next debt issuance to fund major capital projects is projected at \$5,000,000 in fiscal 2007.

This model was prepared in accordance with City Council's adopted Strategic Plan, Budget and Finance Major Initiatives and Multiyear Budget Model Assumptions, which are contained on pages I-35 through I-44 of this document. One of the goals in City Council's 5-Year Strategic Plan is to achieve a property tax rate that does not exceed the 75th percentile of comparable benchmark cities by July 1, 2007. This model does not meet that goal. Currently it would take an expenditure reduction or new revenue source of approximately \$3,000,000 to meet that goal.

Model Assumptions:

- ◆ Expenditures for municipal operations and transfers to the Oak Ridge Schools for operations are projected to increase 3.5% annually beginning in fiscal 2005. This growth rate is below the actual average just over 4% over the past 10 years. With the impact of federal downsizing on the community, the City and Schools are making a concerted effort to restrict expenditure growth.
- ◆ Revenues are anticipated to grow at the historical growth rate of each specific revenue. The City's primary revenue source is from property and sales tax collections. Property assessment growth is projected to increase by 3.71% in fiscal 2005, 3% in 2006, 2.5% in 2007 and 2.0% thereafter. Assessment growth is projected higher in fiscal 2005 and 2006 based on current or planned construction projects in the community. Assessment growth has averaged below 2% since 1998. Sales tax collections, which are the General Fund's other major revenue source, are projected to grow at 2% in fiscal 2005, 3% in 2006, 2.5% in 2007 and 2% thereafter. Actual sales tax receipts received by the City have varied from year-to-year based on operational levels by federal contractors and large one-time audit adjustments. Overall, sales tax collections were fairly flat from 1994 through 2001. Growth levels increase during fiscals 2002 and 2003 due to the opening of Home Depot, expansion of Wal-Mart and the major modernization programs at the federal facilities located in Oak Ridge. This growth began to flatten back out during the later part of fiscal 2003. Increases in 2006 and 2007 are based on anticipated retail growth in the community.
- ◆ The unreserved fund balance of the General Fund combined with that of the General Purpose School Funds should stabilize at approximately \$5 million.

Changes in Operating Transfers:

- ◆ Transfers to the Solid Waste Fund are projected to grow by 3% annually. The primary operations funded by this transfer are provided under a 10-year contract with a private business. Annual contractual increases are set at 90% of the current rate of inflation as indicated by the Consumer Price-Index.
- ◆ A 2% annual increase is budgeted to support the City's major street resurfacing program accounted for in the State Street Aid Fund. Revenues in the State Street Aid (SSA) Fund have been flat and are insufficient to cover the operations accounted for in this Fund.
- ◆ In fiscal 2004, the General Fund began providing an operating transfer to the Street and Public Transportation Fund to support the operations of the public transit buses. The primary source of revenue for this Fund is state-shared fuel taxes and a state grant. In fiscal 2004, the contracted costs to operate the public transit buses increased 55% and the revenue stream of that Fund is insufficient to support the higher costs. A \$10,000 transfer is budgeted in fiscal 2005, \$15,000 in fiscal 2006 and \$20,000 thereafter.
- ◆ In fiscal 2000, City Council approved establishment of the Economic Diversification (ED) Fund to enhance economic development endeavors, with funding primarily provided from operating transfers from the General, Electric and Waterworks Funds. Major reductions in funding for economic development endeavors was incorporated into the fiscal 2004 budget. From the fiscal 2004 base, the operating transfer to the ED Fund from the General Fund is projected to grow by 2% annually.
- ◆ The operating transfer to the Golf Course Fund is projected to remain at \$500,000 annually through 2007 and increase to \$529,000 in fiscal 2008. This transfer is to fund the debt service payment on the Bonds issued to construct the Golf Course. In turn, land sale proceeds from the sale of land surrounding the golf course will be remitted to the General Fund as a reimbursement of this operating transfer through 2008. Additionally, the General Fund has advanced the Golf Course Fund \$780,000. \$125,000 to \$150,000 is projected to be annually generated from the operations of the course for reimbursement back to the General Fund.
- ◆ In fiscal 2001, the City started a reserve to fund capital maintenance projects costing between \$10,000 and \$300,000 from operating transfers from the General Fund to the Capital Projects Fund. This program was initiated to reduce the usage of long-term debt issuance to finance the City's routine capital maintenance needs. The transfer amount was increased to \$1,080,000 in fiscal 2005 to pay for planned capital maintenance projects. The transfer amount will be increased each year until a level of approximately \$1.5 million annually is reached.
- ◆ The Debt Service City and School transfer lines only include debt service for existing debt issuances. The model includes funding for future debt issuances to finance capital projects as outlined in the 2005-2010 Capital Improvements Program (CIP) Document. This is shown in the model as new debt for a projected \$5,000,000 issuance in fiscal 2007. Debt issuances to fund major capital projects has been a major driver in past property tax rate increases. The current amortization schedule for General Long-Term Debt, which is funded through the operating transfer from the General Fund to the Debt Service Fund, is on page III-6 of this document.

Based on these parameters in the multiyear model on page II-35, the projected property tax rate will

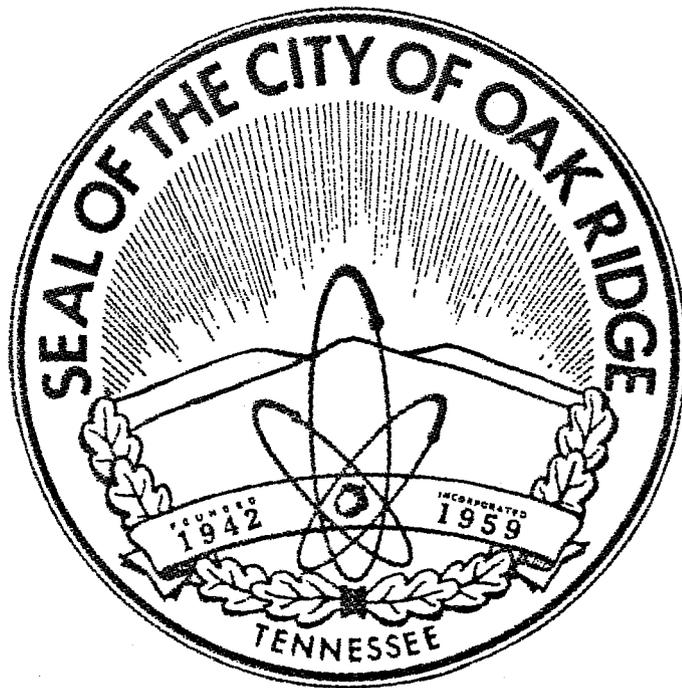
Based on these parameters in the multiyear model on page II-35, the projected property tax rate will remain at the fiscal 2004 rate of \$2.87 through fiscal 2007, increase by 17 cents in fiscal 2008 to \$3.04 and increase 13 cents in fiscal 2009 to \$3.17. The multiyear model presented here is to demonstrate how the City relates the impact of debt and other related increases in expenditure levels to the property tax rate. For each cent on the tax rate, General Fund revenues will increase approximately \$60,000. Therefore, the property tax rate must be increased by one-cent for each \$60,000 increase in expenditures. This amount will vary slightly from year-to-year based on assessment growth.

The City has utilized fund balance draws since 1986 to balance the budget (i.e. revenues equal expenditures). In fiscal 2005, an additional 4 cents on the property tax rate would have been required to eliminate the fund balance draw. The usage of a fund balance draw to balance the budget is to cease by the year 2010 when the target fund balance of \$5 million is sustained. This along with funding requirements for future capital are the primary drivers for the projected increases in the property tax rate over the next few fiscal years.

The multiyear model is used for projection purposes and for management decisions concerning long-range projects. Obviously, the future property tax rates presented in these models will not necessarily be the rate that will be in effect during that fiscal year. The multiyear model is updated each year as a part of the budget process and is utilized by City staff to set the proposed property tax rate presented to City Council.

CITY OF OAK RIDGE MULTIYEAR MODEL (IN THOUSANDS)

	2003 ACTUAL	2004 PROJ.	2005 BUDGET	2006 PROJ.	2007 PROJ.	2008 PROJ.	2009 PROJ.
REVENUES:							
General Property Taxes	15300	15030	15517	15894	16291	17599	18717
Other Property Taxes	2470	2492	2548	2573	2599	2779	2926
Business Taxes	1778	1877	1893	1950	2009	2069	2131
Licenses & Permits	197	205	220	222	224	226	228
DOE In-Lieu of Taxes	1298	1267	1267	1267	1267	1342	1399
Local Sales Tax	7133	7155	7299	7518	7706	7860	8017
Intergovernmental	2093	1911	1951	1990	2030	2071	2112
Hall Income Tax	318	320	323	336	349	363	378
Charges for Services	99	95	96	99	102	105	108
Use of Property	284	280	290	293	296	299	302
Radio & Service Center Rents	1011	1011	1011	1011	1011	1011	1011
Fines & Penalties	331	353	339	349	359	370	381
Other Revenues	437	421	443	457	447	427	423
TOTAL REVENUES	32749	32417	33197	33959	34690	36521	38134
TOTAL MUNICIPAL EXPENDITURES	14599	14290	14831	15350	15887	16443	17019
OPERATING TRANSFERS:							
Gen. Purpose School Fund	10646	10646	11186	11578	11983	12402	12836
Solid Waste Fund	992	1057	1110	1143	1177	1212	1248
State Street Aid Fund (Street Resurfacing)	500	500	500	510	520	530	541
Street & Public Transportation Fund		10	10	15	20	20	20
Economic Diversification Fund	1147	680	694	708	722	736	751
Golf Course Fund Debt Service	713	500	500	500	500	529	529
Sale of Land Surrounding Golf Course			-500	-500	-500	-325	
Capital Projects Fund (Capital Maintenance)	711	1057	1080	1100	1150	1200	1250
New Debt (Approx. \$5,000,000 @ 5% for 17 years)					250	250	250
Debt Service City (Existing)	2107	2017	2018	2017	1892	1892	1892
Debt Service School (Existing)	2107	2017	2018	2017	1892	1892	1892
TOTAL OPERATING TRANSFERS	18923	18484	18616	19088	19606	20338	21209
TOTAL EXPENDITURES & TRANSFERS	33522	32774	33447	34438	35493	36782	38228
REVENUES LESS EXPENDITURES & TRANSFERS	-773	-357	-250	-479	-803	-260	-94
UNRESERVED CITY FUND BAL. (BOY):	6024	4471	4239	4114	3760	3092	2982
Total Advance to Golf Course	-780	125	125	125	135	150	150
UNRESTRICTED CITY FUND BAL. (EOY):	4471	4239	4114	3760	3092	2982	3037
SCHOOL FUND BAL. (EOY):	3977	2900	2282	2650	3000	3030	3060
TOTAL FUND BALANCE (EOY):	8448	7139	6396	6410	6092	6012	6098
Fund Balance As % Expenditures & Transfers	25.20%	21.78%	19.12%	18.61%	17.16%	16.34%	15.95%
PROPERTY TAX RATE:	294	287	287	287	287	304	317
% OPERATIONS PROPERTY TAX INCREASE	0.00%	0.00%	0.70%	0.35%	0.00%	4.88%	4.28%
% INCREASE PROPERTY TAX RATE	10.94%	-2.38%	0.00%	0.00%	0.00%	5.92%	4.28%
ASSESSMENT (0,000,000's)	51.25	51.76	53.68	55.29	56.67	57.81	58.96
Total Tax rate increase (Annual)	29.0	0.0	0.0	0.0	0.0	17.0	13.0
Ann. Assmnt. Growth	2.37%	1.00%	3.71%	3.00%	2.50%	2.00%	2.00%
Ann. Sales Tax Growth	8.70%	0.31%	2.01%	3.00%	2.50%	2.00%	2.00%
Average Household Monthly Tax Increase	6.04	-1.46	0.00	0.00	0.00	3.54	2.71





oak
ridge



General
Government

GENERAL GOVERNMENT

The General Government function includes the following activities: City Council, City Clerk, City Manager's Office, City Court and Legal.

Incorporated in 1960, the City of Oak Ridge operates under a charter providing for a modified City Manager-Council form of government, which combines the political leadership of elected officials in the form of a City Council with the managerial experience and expertise of a City Manager. City Council consists of seven members elected at large, with the Mayor and Mayor ProTem elected by fellow council members for two-year terms. City Council members set policy and enact legislation, review and adopt the City budget, and appoint the City Manager and City Attorney.

The City Clerk is responsible for recording legislative actions of City Council, assisting the City Manager in implementing ordinances and resolutions approved by City Council, and performing related functions.

The City Manager is responsible for the supervision of all City departments and serves as Council's chief advisor, providing Council with any information and recommendations they may request. He is also responsible for implementing Council approved policies. The City Manager's activity also includes a Government and Public Affairs Coordinator who assists in the management of relationships with the public and with external agencies and media organizations at the federal, state and local level.

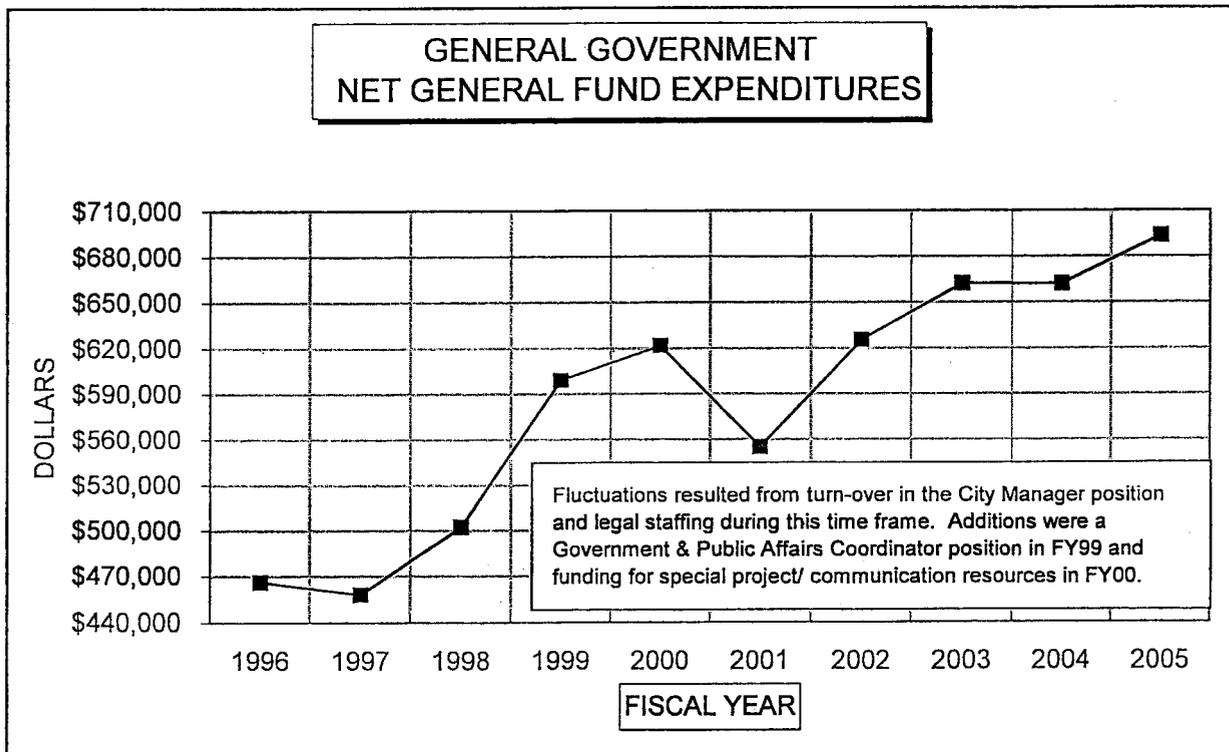
The City Court has jurisdiction within the City over cases involving violations of City ordinance. The Court is presided over by a City Judge elected for a four-year term. During fiscal 2004, the Court collected \$269,746 in revenues for the City.

The Legal Department is responsible for providing legal assistance and guidance to the City Council and City Manager and keeping all department directors fully advised on any legal matters. The Department also represents the City in civil litigations and serves as the staff representative to the City's Beer Board. The City Attorney is appointed by City Council. The legal staff also contains a senior staff attorney and a secretary position.

GENERAL GOVERNMENT	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHANGE
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GENERAL FUND

810 City Council	80,512	73,201	73,201	75,466	2,265	3.1
816 City Clerk	119,382	114,762	106,342	108,844	(5,918)	-5.2
820 City Manager	191,988	206,755	206,399	221,534	14,779	7.1
832 City Court	100,786	105,132	105,563	109,979	4,847	4.6
843 Legal	169,509	172,074	170,418	177,881	5,807	3.4
Total General Government	662,177	671,924	661,923	693,704	21,780	3.2



CITY OF OAK RIDGE

FUND General	DEPARTMENT General Government	ACTIVITY City Council	NUMBER 810
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ACTIVITY DESCRIPTION

The City of Oak Ridge is governed by a seven-member City Council, which is the legislative and policy-making body of the City. Council members are elected at large for four-year, staggered terms in elections held in June of every odd-numbered year. Following the election, the council elects one of its members to serve as Mayor for a term of two years and also chooses a member to serve as Mayor Pro-Tem in the temporary absence or disability of the Mayor.

The responsibilities of the City Council include (1) adopting ordinances, resolutions and policies necessary for the proper governing of the City's affairs; (2) reviewing and adopting the annual budget; (3) reviewing and acting on recommendations from various boards and commissions; (4) appointing a City Manager, City Attorney, and residents to various boards and commissions; (5) issuing directives and initiating measures to promote the general welfare of the City and the safety and health of its residents; and (6) representing the City at official functions.

City Council conducts its business in public sessions held in the Courtroom of the Municipal Building typically on the first and third Mondays of each month.

PROGRAM COMMENTS

This activity provides for the engagement of an independent firm of certified public accountants to conduct an annual audit of the official accounting records of the City. A comprehensive annual financial report is prepared by the Finance Department, submitted to the Council, and made a part of the City's records.

Additional items provided for in this activity are memberships in the Tennessee Municipal League, the National League of Cities, the East Tennessee Development District, and the U.S. Conference of Mayors; and attendance by City Council members at meetings and conferences conducted by the Tennessee Municipal League and the National League of Cities.

SIGNIFICANT EXPENDITURE CHANGES

Liability Insurance costs increased by \$3,190 due to higher premiums which mirrors a nationwide industry trend.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
810 City Council

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	± CHG
Personal Services						
5111. Salaries-Reg. Employees	10,067	9,600	9,600	9,600	0	.0
5141. Social Security	731	734	734	734	0	.0
Total Personal Services	10,798	10,334	10,334	10,334	0	.0
Contractual Services						
5205. Printing & Dup. Charges	975	500	500	500	0	.0
5207. Dues, Memberships & Sub.	17,579	16,873	16,873	16,873	0	.0
5210. Prof. & Contractual Ser.	24,640	25,502	25,502	25,502	0	.0
5212. Utility Services	1,617	2,100	2,100	2,100	0	.0
5220. Travel, Schools, & Conf.	20,077	26,000	26,000	26,000	0	.0
5235. Routine Rep. & Maint.	2,167	800	800	800	0	.0
5236.13 Other Equipment Maint.	345	345	345	345	0	.0
5289. Equipment Use Charge	2,464	2,600	2,600	2,600	0	.0
Total Contractual Services	69,864	74,720	74,720	74,720	0	.0
Commodities						
5310. Supplies	1,886	3,186	3,186	3,186	0	.0
5320. Books/Education Material	240	400	400	400	0	.0
5399. Other Commodities	308	0	0	0	0	.0
Total Commodities	2,434	3,586	3,586	3,586	0	.0
Other Charges						
5410. Insurance	7,680	9,410	9,410	12,600	3,190	33.9
5420. Litigation/Judicial Cost	0	50	50	50	0	.0
5430. Grants/Subsidies/Contri.	3,000	0	0	0	0	.0
5499. Contingency	19,623	5,000	5,000	5,000	0	.0
Total Other Charges	30,303	14,460	14,460	17,650	3,190	22.1
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	113,399	103,100	103,100	106,290	3,190	3.1
Reduction of Costs						
5670. Recovered from Funds	32,885-	29,899-	29,899-	30,824-	925-	3.1
Total Reduction of Costs	32,885-	29,899-	29,899-	30,824-	925-	3.1
TOTAL NET EXPENDITURES	80,514	73,201	73,201	75,466	2,265	3.1

CITY OF OAK RIDGE

FUND General	DEPARTMENT General Government	ACTIVITY City Clerk	NUMBER 816
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ACTIVITY DESCRIPTION

The City Clerk's office is responsible for recording and preserving the legislative actions of City Council and performing related functions as prescribed by the City Charter, City Manager and City Council. Implementation of these general functions involves preparation and distribution of Council meeting agenda materials and production of Council meeting minutes; filing and storage of officials records; maintenance of the City Charter and Code; licensing and titling of City vehicles; and providing administrative and clerical support services for the City Manager, the Mayor and members of City Council.

PERFORMANCE OBJECTIVES

1. To accurately record the legislative actions of City Council.
2. To effectively respond to all requests for information.
3. To provide efficient administrative and clerical support to the City Manager and City Council.
4. To provide reliable records management service.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Agenda Production-Number of Sessions	34	36	35	32
Minutes Recorded	22	24	23	21
Ordinances Adopted	23	24	20	20
Resolutions Adopted	177	175	127	150
Proclamations Adopted	33	40	35	35
Administrative Action Referrals	456	500	382	400
Publications/Legal Notices	73	40	59	40
Official Notices Mailed to Individuals	191	125	206	125

SIGNIFICANT EXPENDITURE CHANGES

Salary and benefit costs decreased by \$8,332 due to turnover in staff related to the retirement of a long-term employee.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
816 City Clerk

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	† CHG
Personal Services						
5111. Salaries-Reg. Employees	89,656	92,488	81,474	83,918	8,570-	9.3-
5131. Regular Overtime Pay	118	1,330	1,330	1,330	0	.0
5141. Social Security	6,799	7,177	6,334	6,521	656-	9.1-
5150. Retirement	8,323	8,312	8,312	8,738	426	5.1
5160. Medical & Workers Comp	13,070	14,114	14,114	14,582	468	3.3
Total Personal Services	117,966	123,421	111,564	115,089	8,332-	6.8-
Contractual Services						
5207. Dues, Memberships & Sub.	249	249	249	249	0	.0
5210. Prof. & Contractual Ser.	7,696	2,400	2,400	2,400	0	.0
5211. Advertising & Publicity	37,599	30,000	30,000	30,000	0	.0
5212. Utility Services	1,455	1,600	1,600	1,600	0	.0
5220. Travel, Schools, & Conf.	0	360	360	360	0	.0
5236.13 Other Equipment Maint.	1,825	1,825	1,825	1,825	0	.0
Total Contractual Services	48,824	36,434	36,434	36,434	0	.0
Commodities						
5310. Supplies	1,153	1,243	1,243	1,243	0	.0
5320. Books/Education Material	0	336	336	336	0	.0
Total Commodities	1,153	1,579	1,579	1,579	0	.0
Other Charges						
5410. Insurance	26	0	0	0	0	.0
5420. Litigation/Judicial Cost	175	200	200	200	0	.0
Total Other Charges	201	200	200	200	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	168,144	161,634	149,777	153,302	8,332-	5.2-
Reduction of Costs						
5670. Recovered from Funds	48,762-	46,872-	43,435-	44,458-	2,414	5.2-
Total Reduction of Costs	48,762-	46,872-	43,435-	44,458-	2,414	5.2-
TOTAL NET EXPENDITURES	119,382	114,762	106,342	108,844	5,918-	5.2-

CITY OF OAK RIDGE

FUND General	DEPARTMENT General Government	ACTIVITY City Manager's Office	NUMBER 820
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ACTIVITY DESCRIPTION

The City Charter establishes the City Manager as the chief executive officer of the City. The City Manager is appointed by and serves at the pleasure of City Council. He is responsible for planning, organizing, directing, controlling, and evaluating the operations of the municipal government in order to implement Council policies in an effective, and economic manner.

In carrying out these responsibilities, the Manager interprets and implements Council-determined policy; oversees the enforcement of all laws and ordinances; appoints and removes department heads and employees on the basis of merit; exercises control and supervision over all departments; prepares and recommends annual operating and capital improvement budgets; screens and prepares agenda materials; recommends legislation that appears necessary and desirable; advises Council of the financial conditions and future needs of the City; informs the public through reports to Council regarding the operation of City government; represents the City in its relations with the public, the press, and other governmental and private agencies; and performs such other duties as may be described by the City Charter or required by ordinance or resolution of Council.

It is the goal of this activity to provide coordination and administrative direction to City departments in order to provide continuous improvement in the delivery of municipal services to the residents of Oak Ridge, and to inform and advise Council on City affairs, requirements, and problems, both existing and anticipated.

PROGRAM COMMENTS

On an annual basis, the City Manager submits a set of goals and objectives for the fiscal year for City Council approval. These goals and objectives serve as objective measures of performance for this activity.

SIGNIFICANT EXPENDITURE CHANGES

Liability Insurance costs increased by \$3,190 due to higher premiums which mirrors a nationwide industry trend.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
820 City Manager's Office

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	218,813	213,383	213,383	232,300	18,917	8.9
5131. Regular Overtime Pay	4,051	3,160	2,500	3,160	0	.0
5141. Social Security	16,172	16,566	16,515	18,013	1,447	8.7
5150. Retirement	19,071	19,186	19,186	24,135	4,949	25.8
5160. Medical & Workers Comp	19,332	21,599	21,599	22,301	702	3.3
Total Personal Services	277,439	273,894	273,183	299,909	26,015	9.5
Contractual Services						
5206. Mailing & Delivery	0	50	50	50	0	.0
5207. Dues, Memberships & Sub.	1,675	1,385	1,385	1,385	0	.0
5210. Prof. & Contractual Ser.	59,648	100,000	100,000	100,000	0	.0
5211. Advertising & Publicity	2,795	0	0	0	0	.0
5212. Utility Services	4,745	4,600	4,600	4,600	0	.0
5220. Travel, Schools, & Conf.	8,298	15,200	15,200	15,200	0	.0
5235. Routine Rep. & Maint.	5,182	480	480	490	10	2.1
5236.13 Other Equipment Maint.	690	690	690	1,035	345	50.0
5289. Equipment Use Charge	5,030	5,200	5,200	5,200	0	.0
Total Contractual Services	88,063	127,605	127,605	127,960	355	.3
Commodities						
5310. Supplies	7,028	2,100	2,100	2,100	0	.0
5320. Books/Education Material	266	500	500	500	0	.0
Total Commodities	7,294	2,600	2,600	2,600	0	.0
Other Charges						
5410. Insurance	7,680	9,410	9,410	12,600	3,190	33.9
Total Other Charges	7,680	9,410	9,410	12,600	3,190	33.9
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	380,476	413,509	412,798	443,069	29,560	7.1
Reduction of Costs						
5670. Recovered from Funds	188,488-	206,754-	206,399-	221,535-	14,781-	7.1
Total Reduction of Costs	188,488-	206,754-	206,399-	221,535-	14,781-	7.1
TOTAL NET EXPENDITURES	191,988	206,755	206,399	221,534	14,779	7.1

CITY OF OAK RIDGE

FUND General	DEPARTMENT General Government	ACTIVITY City Court	NUMBER 832
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ACTIVITY DESCRIPTION

The City Court, presided over by a judge elected for a four-year term, has jurisdiction within the City over cases involving violations of City ordinances. The City Judge can assess fines of up to \$500 and can sentence convicted defendants to terms of up to ninety days in the County jail for violations of City ordinances. The City Judge is empowered, in his capacity as a Judicial Magistrate, to sign and issue State criminal arrest warrants and search warrants. This provides an additional judicial service to the Oak Ridge Police Department and the citizens of the City of Oak Ridge as well as facilitating the operations of the General Sessions Court. A major goal of the Oak Ridge City Court is to contribute to an orderly society by providing adjudication in compliance with the Constitutional guarantees of promptness and impartiality.

The City Court Clerk's office records and maintains permanent records of cases which come before the City Court. City warrants, Show Cause Orders, Court Orders, subpoenas, appearance bonds, and cash bonds are issued by this office. Money for fines and court costs is received in this office and is revenue to the General Fund.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Number of Court Cases:				
City violations	3,882	3,320	3,429	3,320
Fines and Costs Collected	\$269,746	\$249,000	\$294,000	\$279,000

SIGNIFICANT EXPENDITURE CHANGES

There are no significant expenditure changes for this activity in fiscal 2005.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
832 City Court

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	62,282	56,178	68,792	70,273	14,095	25.1
5120. Salaries-Temp. Employees	6,046	12,620	0	0	12,620-	100.0-
5131. Regular Overtime Pay	4,024	3,065	3,500	3,500	435	14.2
5141. Social Security	5,150	5,498	5,500	5,644	146	2.7
5150. Retirement	5,368	5,249	5,249	7,562	2,313	44.1
5160. Medical & Workers Comp	12,534	13,918	13,918	14,386	468	3.4
Total Personal Services	95,404	96,528	96,959	101,365	4,837	5.0
Contractual Services						
5201. Rents	364	360	360	370	10	2.8
5207. Dues, Memberships & Sub.	0	165	165	165	0	.0
5210. Prof. & Contractual Ser.	458	1,500	1,500	1,500	0	.0
5212. Utility Services	1,700	2,100	2,100	2,100	0	.0
5220. Travel, Schools, & Conf.	450	674	674	674	0	.0
5236.13 Other Equipment Maint.	1,680	1,680	1,680	1,680	0	.0
Total Contractual Services	4,652	6,479	6,479	6,489	10	.2
Commodities						
5310. Supplies	576	2,025	2,025	2,025	0	.0
5320. Books/Education Material	97	100	100	100	0	.0
5330. Small Tools/Equipment	57	0	0	0	0	.0
Total Commodities	730	2,125	2,125	2,125	0	.0
Other Charges						
Total Other Charges	0	0	0	0	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	100,786	105,132	105,563	109,979	4,847	4.6
Reduction of Costs						
Total Reduction of Costs	0	0	0	0	0	.0
TOTAL NET EXPENDITURES	100,786	105,132	105,563	109,979	4,847	4.6

CITY OF OAK RIDGE

FUND General	DEPARTMENT Legal	ACTIVITY Legal	NUMBER 843
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ACTIVITY DESCRIPTION

The Legal Department provides legal services and guidance to the City. The City Attorney is responsible for representing and defending the City in all litigation in which the City is a party, attending all City Council meetings, advising City Council and advising City boards and commissions. The City Attorney is appointed by and serves at the pleasure of City Council.

Legal staff is responsible for providing legal counsel to the City Manager, all departments, city staff and the Oak Ridge Beer Permit Board. Other responsibilities include researching/drafting ordinances and resolutions; preparing, reviewing, and administering contracts, deeds, bonds, leases, and other official documents; prosecuting violations of City ordinances, and tracking legislation, both state and federal, to be up to date on issues affecting local governments.

PERFORMANCE OBJECTIVES

1. To prepare an administrative policy on contracts to guide City departments through the contractual process.
2. Collect or recommend other methods of disposition for outstanding City fines and costs.
3. Continue review and revision of the City Code in order to be in compliance with State law.
4. To hold a seminar for City employees on how to draft ordinances and resolutions.

SIGNIFICANT EXPENDITURE CHANGES

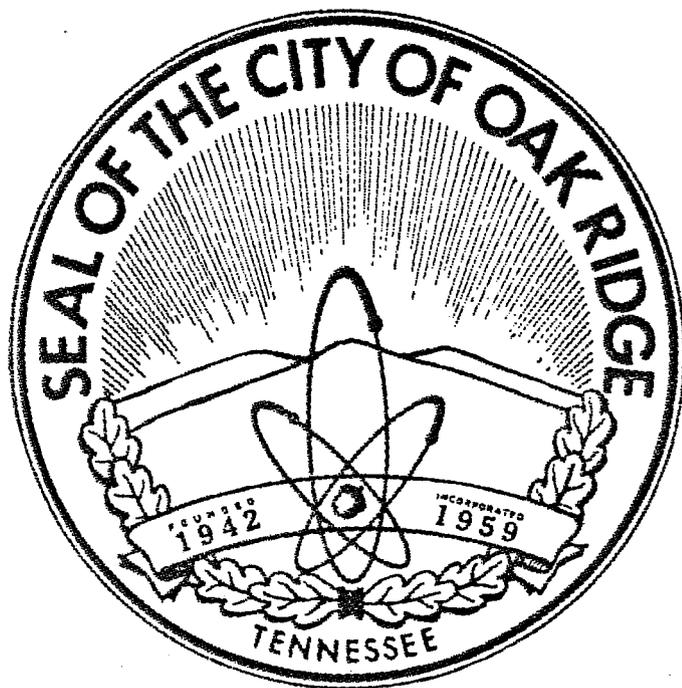
Contractual services increased \$1,795 primarily to fund publication of legal notices.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
843 Legal

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	165,770	168,800	166,634	171,630	2,830	1.7
5141. Social Security	12,473	12,913	12,748	13,130	217	1.7
5150. Retirement	14,730	14,956	14,956	17,592	2,636	17.6
5160. Medical & Workers Comp	19,175	21,325	21,325	22,027	702	3.3
Total Personal Services	212,148	217,994	215,663	224,379	6,385	2.9
Contractual Services						
5206. Mailing & Delivery	0	50	50	50	0	.0
5207. Dues, Memberships & Sub.	2,090	2,500	2,500	2,500	0	.0
5210. Prof. & Contractual Ser.	1,650	5,830	5,830	5,830	0	.0
5211. Advertising & Publicity	2,300	50	50	1,500	1,450	2,900.0
5212. Utility Services	2,606	2,600	2,600	2,600	0	.0
5220. Travel, Schools, & Conf.	5,362	4,293	4,293	4,293	0	.0
5236.13 Other Equipment Maint.	690	690	690	1,035	345	50.0
Total Contractual Services	14,698	16,013	16,013	17,808	1,795	11.2
Commodities						
5310. Supplies	1,197	1,000	1,000	1,000	0	.0
5320. Books/Education Material	10,703	7,000	7,000	7,000	0	.0
Total Commodities	11,900	8,000	8,000	8,000	0	.0
Other Charges						
5420. Litigation/Judicial Cost	0	350	350	350	0	.0
Total Other Charges	0	350	350	350	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	238,746	242,357	240,026	250,537	8,180	3.4
Reduction of Costs						
5670. Recovered from Funds	69,236-	70,283-	69,608-	72,656-	2,373-	3.4
Total Reduction of Costs	69,236-	70,283-	69,608-	72,656-	2,373-	3.4
TOTAL NET EXPENDITURES	169,510	172,074	170,418	177,881	5,807	3.4





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Administrative Services

ADMINISTRATIVE SERVICES

The Administrative Services division consists of 37 employees organized into the following activities: Computer Services, Personnel, Stationary Stores, Finance and Utilities Business Office.

The Computer Services staff, comprised of 7 technical employees, provide computer support to other City departments, including mainframe as well as personal computer support and training for various micro-computer software utilized by the City departments. The City utilizes an IBM AS/400 mainframe computer with workstations located in the Municipal Building, Library and Civic Center, and remote workstations at the Central Services Center and at the three fire stations. Staff is also responsible for maintaining and upgrading approximately 345 personal computers located throughout the City. The Deputy City Manager of Administrative Services and an Accounting Specialist are also accounted for in this activity.

The Personnel staff, comprised of 4 employees, is responsible for managing the personnel and training functions, risk management and the Insurance Fund. Personnel also provides staff support to the City's Personnel Advisory Board. In fiscal 2004, the City's work force will be comprised of 405 full-time and part-time employees, which is the equivalent of 348.64 staff years. Personnel staff is also responsible for administering the Insurance Fund. The City's various insurance programs are secured by a combination of commercial insurance and self-funding. A citywide compensation plan review was completed in fiscal 2003 with employee job classification reviews performed by an independent contractor.

Stationary Stores is comprised of one employee who is responsible for printing and binding major City documents, maintaining a central copier and office supply facility for the Municipal Building, as well as the City's mail distribution.

Finance and Utility Business Office (UBO) staffs are comprised of 25 employees under the supervision of the Finance Director. The staffs of these activities are responsible for the financial management activities of the City. Program responsibilities include serving as the centralized accounting office for the City, processing payment of all City obligations, cash management and investments, procurement and operation of the central warehouse facility and utility accounting systems. Other responsibilities include administration of the Equipment Replacement Rental Fund and Debt Service Fund.

A primary function of Finance and UBO is the development and publishing of the City's audit and comprehensive annual financial report (CAFR) and annual operating budget. The City has received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the past 42 years and the Distinguished Budget Presentation Award for the past 19 years. Staff also performs a utility rate study every two years for the City's Electric and Waterworks Funds.

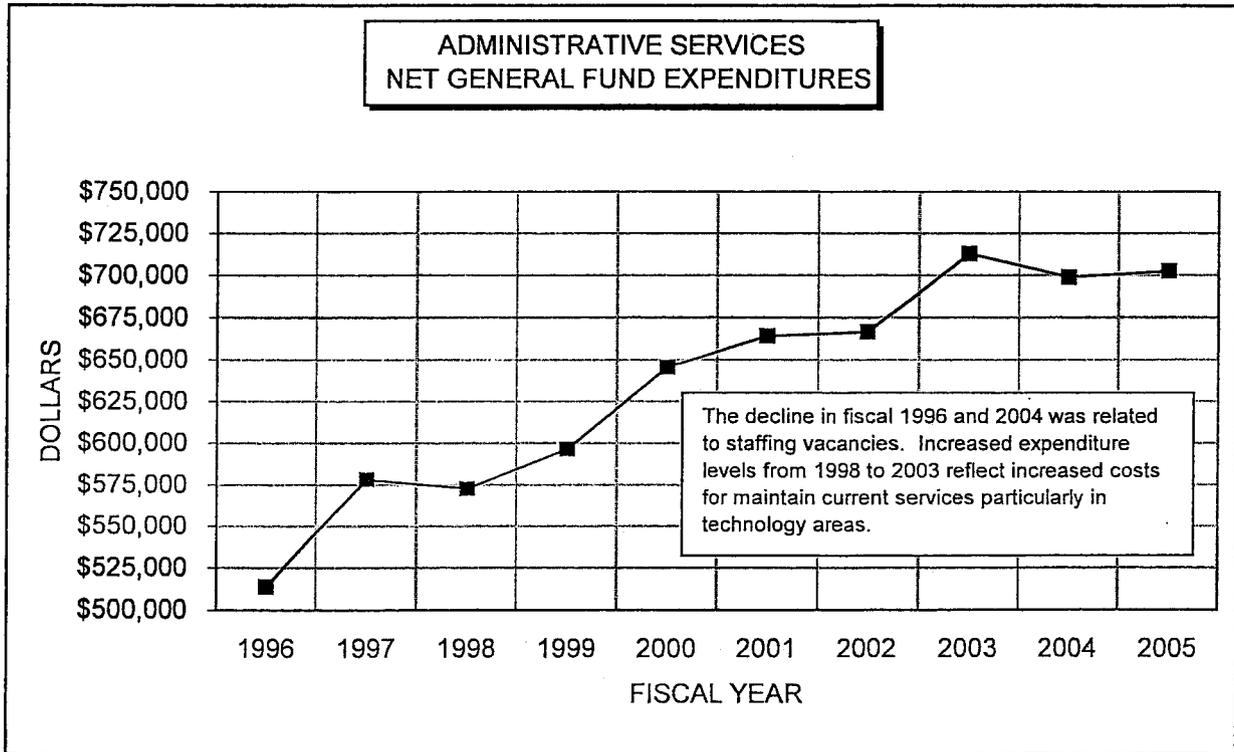
The Utilities Business Office, comprised of 13 employees, is responsible for the billing, collection and customer service for the City's utility services and property taxes. The City has approximately 15,035 utility accounts and 13,072 parcels of property. The Business Office is responsible for the recording and depositing of all cash received by the City. Collections for utilities and property taxes totaled over \$60 million in fiscal 2003.

Major projects for fiscal 2004 included the completion of the transfer to a new business tax system, upgrades and enhancements to the property tax system, providing current information to citizens regarding their property tax and utility billings on the City's web page and working with Anderson and Roane Counties on the transition to a Geographic Information System (GIS).

ADMINISTRATIVE SERVICES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHANGE
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GENERAL FUND

845 Computer Services	194,430	213,510	198,468	217,270	3,760	1.8
846 Personnel	194,288	192,895	186,325	199,946	7,051	3.7
854 Stationery Stores	76,112	79,784	79,387	80,829	1,045	1.3
862 Finance	204,364	206,551	190,559	144,585	(61,966)	-30.0
864 Business Office	43,679	46,595	44,072	59,812	13,217	28.4
Total Administrative Services	<u>712,873</u>	<u>739,335</u>	<u>698,811</u>	<u>702,442</u>	<u>(36,893)</u>	<u>-5.0</u>



CITY OF OAK RIDGE

FUND General	DEPARTMENT Administrative Services	ACTIVITY Computer Services	NUMBER 845
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ACTIVITY DESCRIPTION

The Computer Services Department provides support service to various City departments and performs an active role in recommending and securing innovations in automation that promote organizational efficiency. The goals are to (1) analyze functional and management information needs of all municipal activities; (2) recommend cost-effective solutions utilizing automation; and (3) provide services to municipal users that are more than offset by savings in personnel, equipment and materials. Computers and major software purchases are funded by the Equipment Replacement Rental Fund.

PERFORMANCE OBJECTIVES

1. Ensure citywide compliance with microcomputer software regulations through maintenance of a software log, software auditing procedures, and employee education.
2. To provide system accessibility at 7:00 a.m. and maintain system availability 98% of normal work hours.
3. To provide technical support on the Geographic Information System.
4. To maintain the Citywide network and City's web page.
5. To maintain an electronic data storage and retrieval system.
6. To continue to improve and provide additional information to citizens on the City's web page.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Applications maintained	17	17	17	17
Objects maintained	9,000	9,000	9,000	9,000
Computer time user-available (Public Safety)	98%	98%	98%	98%
Computer time user-available (Non Public Safety)	100%	100%	100%	100%
Peripheral devices maintained	250	250	250	250
Personal computers maintained	345	345	345	345
Available Wide Area Network User	99%	99%	99%	99%

SIGNIFICANT EXPENDITURE CHANGES

Funding for Contractual Services decreased \$10,231 primarily for a \$10,000 reduction in funding for contracted employee training and consulting services.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
845 Computer Services

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	365,065	411,234	370,994	422,867	11,633	2.8
5120. Salaries-Temp. Employees	1,948	0	0	0	0	.0
5131. Regular Overtime Pay	5,620	6,105	4,000	6,105	0	.0
5141. Social Security	27,935	31,926	28,687	32,816	890	2.8
5150. Retirement	36,812	36,976	36,976	43,970	6,994	18.9
5160. Medical & Workers Comp	56,111	63,474	63,474	65,580	2,106	3.3
Total Personal Services	493,491	549,715	504,131	571,338	21,623	3.9
Contractual Services						
5201. Rents	923	1,060	1,060	1,070	10	.9
5207. Dues, Memberships & Sub.	2,879	1,175	1,175	1,175	0	.0
5210. Prof. & Contractual Ser.	11,277	21,235	21,235	11,235	10,000-	47.1-
5212. Utility Services	18,601	17,300	17,300	17,300	0	.0
5220. Travel, Schools, & Conf.	36	7,908	7,908	7,908	0	.0
5235. Routine Rep. & Maint.	129	3,500	3,500	3,500	0	.0
5236.13 Other Equipment Maint.	21,810	21,810	21,810	21,569	241-	1.1-
5262. Nonroutine Rep. & Maint.	25,000	0	0	0	0	.0
5289. Equipment Use Charge	3,592	5,780	5,780	5,780	0	.0
Total Contractual Services	84,247	79,768	79,768	69,537	10,231-	12.8-
Commodities						
5310. Supplies	10,574	16,920	16,920	16,920	0	.0
5320. Books/Education Material	0	600	600	600	0	.0
5398. Computer Software	870	0	0	0	0	.0
Total Commodities	11,444	17,520	17,520	17,520	0	.0
Other Charges						
Total Other Charges	0	0	0	0	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	589,182	647,003	601,419	658,395	11,392	1.8
Reduction of Costs						
5670. Recovered from Funds	394,751-	433,493-	402,951-	441,125-	7,632-	1.8
Total Reduction of Costs	394,751-	433,493-	402,951-	441,125-	7,632-	1.8
TOTAL NET EXPENDITURES	194,431	213,510	198,468	217,270	3,760	1.8

CITY OF OAK RIDGE

FUND General	DEPARTMENT Administrative Services	ACTIVITY Personnel	NUMBER 846
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ACTIVITY DESCRIPTION

Personnel is a service activity that coordinates personnel management functions for all City departments. Services include (1) recruitment, selection, and retention of competent employees; (2) maintenance of the classification plan; (3) coordination of the merit system, employee performance evaluation and compensation plan; (4) coordination of training and development; and (5) management of employment benefits. The activity provides staff and clerical support to the Personnel Advisory Board. Personnel is also responsible for administering the City's risk management program, employee safety program and all insurance coverages (Insurance Fund). This activity is responsible for managing the risks of the City in order to minimize the loss of physical, financial and human resources; including management of exposure and accidents, acts of nature, liability, theft and vandalism, and safety and employee health.

PERFORMANCE OBJECTIVES

1. Process all solicited applications (in response to recruitment notices) and forward to hiring manager within three days after application deadline.
2. Achieve an applicant mix for open positions that maximizes the opportunity for meeting the City's Work Force Diversity Plan objectives.
3. Ensure the selection process used to fill each opening is valid and nondiscriminatory toward any applicant.
4. Maximize positive employee attitudes toward all components of the work experience.
5. Conduct safety inspections of all City facilities and work areas.
6. Conduct safety meetings to assist departments in meeting their training needs.
7. Maintain a combination of insurance and City funds to satisfy foreseeable losses.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Applications received and processed	930	800	650	750
Minority applicants	7.9%	9.25%	7.5%	8.5%
Injuries requiring medical attention	81	75	50	60
Legitimate non-automotive liability claims	62	35	35	35
Automobile accidents preventable by employee	5	5	5	5

SIGNIFICANT EXPENDITURE CHANGES

There are no significant expenditure changes for this activity in fiscal 2005.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
846 Personnel

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	196,819	191,476	182,572	198,215	6,739	3.5
5131. Regular Overtime Pay	1,015	2,280	1,500	2,280	0	.0
5141. Social Security	14,911	14,824	14,082	15,338	514	3.5
5150. Retirement	17,386	17,546	17,546	20,551	3,005	17.1
5160. Medical & Workers Comp	25,265	28,278	28,278	29,214	936	3.3
Total Personal Services	255,396	254,404	243,978	265,598	11,194	4.4
Contractual Services						
5201. Rents	332	390	390	390	0	.0
5207. Dues, Memberships & Sub.	1,776	2,692	2,692	2,692	0	.0
5210. Prof. & Contractual Ser.	31,647	24,500	24,500	24,500	0	.0
5211. Advertising & Publicity	7,887	7,500	7,500	7,500	0	.0
5212. Utility Services	2,775	3,500	3,500	3,500	0	.0
5220. Travel, Schools, & Conf.	4,897	2,500	2,500	2,500	0	.0
5236.13 Other Equipment Maint.	1,725	1,725	1,725	1,725	0	.0
Total Contractual Services	51,039	42,807	42,807	42,807	0	.0
Commodities						
5310. Supplies	1,310	6,890	6,890	6,890	0	.0
5320. Books/Education Material	740	1,479	1,479	1,479	0	.0
5325. Uniforms/Safety Equip.	0	600	600	600	0	.0
Total Commodities	2,050	8,969	8,969	8,969	0	.0
Other Charges						
Total Other Charges	0	0	0	0	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	308,485	306,180	295,754	317,374	11,194	3.7
Reduction of Costs						
5610. Recovered from Users	58-	0	0	0	0	.0
5670. Recovered from Funds	114,139-	113,285-	109,429-	117,428-	4,143-	3.7
Total Reduction of Costs	114,197-	113,285-	109,429-	117,428-	4,143-	3.7
TOTAL NET EXPENDITURES	194,288	192,895	186,325	199,946	7,051	3.7

CITY OF OAK RIDGE

FUND General	DEPARTMENT Administrative Services	ACTIVITY Stationery Stores	NUMBER 854
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ACTIVITY DESCRIPTION

This activity is responsible for providing printing, duplicating and related publication services to all City departments. This activity also provides daily mail service for City departments and serves as a centralized store of office supplies for departments located in the Municipal Building and Civic Center. The activity's goal is to provide these services in an effective and efficient manner.

PERFORMANCE OBJECTIVES

1. Complete all major duplicating requests by date requested.
2. Maintain minimum level of office and printing supplies inventory.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Proposed Annual Budgets Printed	75	100	75	75
Adopted Annual Budgets Printed	75	110	75	75
Annual Financial Reports Printed	175	175	175	175
Requests completed on schedule	100%	100%	100%	100%

SIGNIFICANT EXPENDITURE CHANGES

There are no significant expenditure changes for this activity in fiscal 2005.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
854 Stationery Stores

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	37,554	37,235	36,150	38,435	1,200	3.2
5131. Regular Overtime Pay	5,788	5,595	5,800	5,800	205	3.7
5141. Social Security	3,300	3,276	3,209	3,384	108	3.3
5150. Retirement	4,070	3,795	3,795	4,534	739	19.5
5160. Medical & Workers Comp	6,234	7,023	7,023	7,257	234	3.3
Total Personal Services	56,946	56,924	55,977	59,410	2,486	4.4
Contractual Services						
5201. Rents	15,593	16,550	16,550	16,550	0	.0
5206. Mailing & Delivery	74,684	79,500	79,500	79,500	0	.0
5212. Utility Services	690	760	760	760	0	.0
5236.13 Other Equipment Maint.	3,565	3,445	3,445	3,445	0	.0
5289. Equipment Use Charge	596	2,785	2,785	2,785	0	.0
Total Contractual Services	95,128	103,040	103,040	103,040	0	.0
Commodities						
5310. Supplies	29,145	30,000	30,000	30,000	0	.0
Total Commodities	29,145	30,000	30,000	30,000	0	.0
Other Charges						
Total Other Charges	0	0	0	0	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	181,219	189,964	189,017	192,450	2,486	1.3
Reduction of Costs						
5670. Recovered from Funds	105,107-	110,180-	109,630-	111,621-	1,441-	1.3
Total Reduction of Costs	105,107-	110,180-	109,630-	111,621-	1,441-	1.3
TOTAL NET EXPENDITURES	76,112	79,784	79,387	80,829	1,045	1.3

CITY OF OAK RIDGE

FUND General	DEPARTMENT Administrative Services	ACTIVITY Finance	NUMBER 862
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ACTIVITY DESCRIPTION

The Finance activity is responsible for the recording all City financial transactions in accordance with generally accepted accounting principals (GAAP), performing financial analysis, establishing internal controls, preparing the annual budget, financial statements and biennial utility rate reviews, coordinating long-term debt issuances, and administering the City's cash management program and investing funds accordingly. The Finance activity also provides centralized control over the procurement, storage and distribution of all materials, supplies and services required for City operations, serves as the centralized accounting service for the Public Works and Electrical Departments and is responsible for paying all City obligations. This activity is responsible for determining the cost of maintaining City streets, the electrical distribution system, water distribution system and treatment plant, sewage collection system and treatment plants, equipment repair shop and the service department.

PERFORMANCE OBJECTIVES

1. Provide support for preparation of the budget document and retention of the GFOA Distinguished Budget Presentation Award.
2. Provide effective support services to other City departments.
3. Maintain adequate stock levels for inventory items by establishing economic reorder points and quantities.
4. Obtain needed goods and services at the lowest cost and at required quality.
5. Process cost distribution of labor and materials timely and accurately
6. Contribute to the financial stability of the City by providing timely financial data to City Management.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
State Highway Contract billing prepared by the 20th of each month	92%	100%	92%	100%
Monthly entries performed by 15th of month	92%	92%	92%	92%
Purchase Orders issued for user departments	2,044	2,000	2,045	2,000
Purchase Orders for stock purchases	1,259	1,200	1,260	1,200

SIGNIFICANT EXPENDITURE CHANGES

Gross expenditures for this department decreased by \$133,630 related to the transfer of the salary and benefits and related costs for the Finance Director and an Accounting Specialist position from activity 862 to activity 864. During fiscal 2004, a reorganization of duties resulted in the Finance Director assuming the supervisory duties of activity 864, the Utility Business Office, in addition to that of the Finance activity 862.

A portion of the costs of this activity is distributed to the utility funds and the State Street Aid Fund due to involvement in the operations of these funds.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
862 Finance

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	403,200	409,713	413,088	318,768	90,945-	22.2-
5120. Salaries-Temp. Employees	8,355	0	0	0	0	.0
5131. Regular Overtime Pay	970	4,520	2,500	4,520	0	.0
5141. Social Security	30,628	31,689	31,792	24,732	6,957-	22.0-
5150. Retirement	37,239	36,701	36,701	33,137	3,564-	9.7-
5160. Medical & Workers Comp	62,395	70,308	70,308	58,584	11,724-	16.7-
Total Personal Services	542,787	552,931	554,389	439,741	113,190-	20.5-
Contractual Services						
5201. Rents	3,240	3,120	3,250	3,250	130	4.2
5205. Printing & Dup. Charges	587	2,370	2,370	2,370	0	.0
5207. Dues, Memberships & Sub.	610	970	970	970	0	.0
5210. Prof. & Contractual Ser.	11,000	1,430	1,430	0	1,430-	100.0-
5211. Advertising & Publicity	1,290	1,700	1,700	1,700	0	.0
5212. Utility Services	5,104	5,570	5,570	5,570	0	.0
5220. Travel, Schools, & Conf.	1,621	3,565	3,565	2,065	1,500-	42.1-
5235. Routine Rep. & Maint.	14,425	14,650	14,650	250	14,400-	98.3-
5236.13 Other Equipment Maint.	3,645	3,645	3,645	3,405	240-	6.6-
5289. Equipment Use Charge	5,179	6,205	6,205	6,205	0	.0
Total Contractual Services	46,701	43,225	43,355	25,785	17,440-	40.3-
Commodities						
5310. Supplies	10,728	9,335	9,335	6,335	3,000-	32.1-
5320. Books/Education Material	0	800	800	800	0	.0
5325. Uniforms/Safety Equip.	853	1,210	1,210	1,210	0	.0
Total Commodities	11,581	11,345	11,345	8,345	3,000-	26.4-
Other Charges						
Total Other Charges	0	0	0	0	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	601,069	607,501	609,089	473,871	133,630-	22.0-
Reduction of Costs						
5610. Recovered from Users	0	0	16,531-	16,531-	16,531-	.0
5670. Recovered from Funds	396,706-	400,950-	401,999-	312,755-	88,195	22.0-
Total Reduction of Costs	396,706-	400,950-	418,530-	329,286-	71,664	17.9-
TOTAL NET EXPENDITURES	204,363	206,551	190,559	144,585	61,966-	30.0-

CITY OF OAK RIDGE

FUND General	DEPARTMENT Administrative Services	ACTIVITY Business Office	NUMBER 864
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ACTIVITY DESCRIPTION

This activity is responsible for reading all electric and water meters monthly and for billing and collecting monthly charges. All service requests for utility connections and meter installations and removals are processed by this office, along with the administration of a TVA residential heat pump program. This activity is also responsible for billing and collecting all real, personal and public utility property taxes and all other business licenses and related taxes. Included in the property tax function is the assessment of all taxable properties located in the Roane County section of Oak Ridge (approximately 1,425 parcels). Anderson County properties (approximately 13,072 parcels) are assessed by the Anderson County Property Assessor's Office. Other taxes billed and collected by this activity include the 5 percent liquor wholesale tax, the 17 percent wholesale beer tax, the hotel/motel room occupancy tax and any other fees, licenses, permits or special assessments authorized by the City.

The activity's goal is to bill and collect all utility and tax bills in a timely manner and to equitably administer all state statutes and City codes and ordinances relative to utility collections, tax assessments, and business licensing.

PERFORMANCE OBJECTIVES

1. Meet the pre-established utility billing schedule for 100 percent of billings.
2. Improve the collection process in order to reduce loss of revenue from bad debt.
3. Notify appropriate taxpayers of assessment changes by March 30 of each year.
4. Mail notices of taxes due to taxpayers by June 1 of each year.
5. Issue all delinquent notices within 60 days after delinquencies occur.
6. Retain the GFOA Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Presentation Award.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Utility billings prepared on schedule	100%	100%	100%	100%
Business licenses and permits issued	Unavailable	1,300	1,286	1,300

SIGNIFICANT EXPENDITURE CHANGES

Personal Services increased \$158,865 primarily related to the transfer of the Finance Director and an Accounting Specialist position from activity 862 to this activity. \$20,570 in funding for contractual services and commodities was also transferred to support the functions of these two positions. Funding for Vehicle/Equipment use charges increased \$3,650 based on current equipment maintenance and replacement requirements. Liability Insurance costs increased by \$650 due to higher premiums which mirrors a nationwide industry trend.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
864 Business Office

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	338,644	422,224	393,870	537,313	115,089	27.3
5120. Salaries-Temp. Employees	10,495	0	0	0	0	.0
5131. Regular Overtime Pay	9,663	14,455	10,000	14,455	0	.0
5141. Social Security	26,414	33,406	30,130	42,210	8,804	26.4
5150. Retirement	41,696	38,690	38,690	56,556	17,866	46.2
5160. Medical & Workers Comp	80,445	90,928	90,928	108,034	17,106	18.8
Total Personal Services	507,357	599,703	563,618	758,568	158,865	26.5
Contractual Services						
5201. Rents	1,266	3,811	3,861	3,861	50	1.3
5205. Printing & Dup. Charges	0	2,150	2,150	2,150	0	.0
5206. Mailing & Delivery	127	250	250	250	0	.0
5207. Dues, Memberships & Sub.	0	765	765	765	0	.0
5210. Prof. & Contractual Ser.	53,996	9,850	9,850	11,280	1,430	14.5
5211. Advertising & Publicity	132	800	800	800	0	.0
5212. Utility Services	5,113	5,600	5,600	5,600	0	.0
5220. Travel, Schools, & Conf.	0	3,102	3,102	4,602	1,500	48.4
5235. Routine Rep. & Maint.	9,552	4,762	4,752	22,367	17,605	369.7
5236.13 Other Equipment Maint.	3,405	3,405	3,405	3,405	0	.0
5289. Equipment Use Charge	17,466	16,655	16,655	20,305	3,650	21.9
Total Contractual Services	91,057	51,150	51,190	75,385	24,235	47.4
Commodities						
5310. Supplies	21,445	10,715	10,715	13,715	3,000	28.0
5320. Books/Education Material	0	300	300	300	0	.0
5325. Uniforms/Safety Equip.	2,180	1,420	1,420	2,020	600	42.3
5330. Small Tools/Equipment	22	0	0	0	0	.0
Total Commodities	23,647	12,435	12,435	16,035	3,600	29.0
Other Charges						
5410. Insurance	1,920	2,350	2,350	3,000	650	27.7
Total Other Charges	1,920	2,350	2,350	3,000	650	27.7
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	623,981	665,638	629,593	852,988	187,350	28.1
Reduction of Costs						
5670. Recovered from Funds	580,303-	619,043-	585,521-	793,176-	174,133-	28.1
Total Reduction of Costs	580,303-	619,043-	585,521-	793,176-	174,133-	28.1
TOTAL NET EXPENDITURES	43,678	46,595	44,072	59,812	13,217	28.4



oak
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Police

POLICE DEPARTMENT

The Oak Ridge Police Department is responsible for enhancing the safety and security of all residents and other persons working in or visiting the City. The Department strives to maintain peace and order throughout the community by education, prevention of criminal activity, response to calls for assistance, and reports of criminal law violations. Comprised of 58 uniform officers (includes Animal Control) and 12 non-uniform support personnel, the Department is organized into the following activities: Supervision, Investigations, Staff Services, Patrol, Emergency Communications, Animal Control and School Resource Officer Program. A Police Chaplain and other associate chaplains provide counseling assistance to crime victims, indigent families and individuals, and departmental personnel on a voluntary basis.

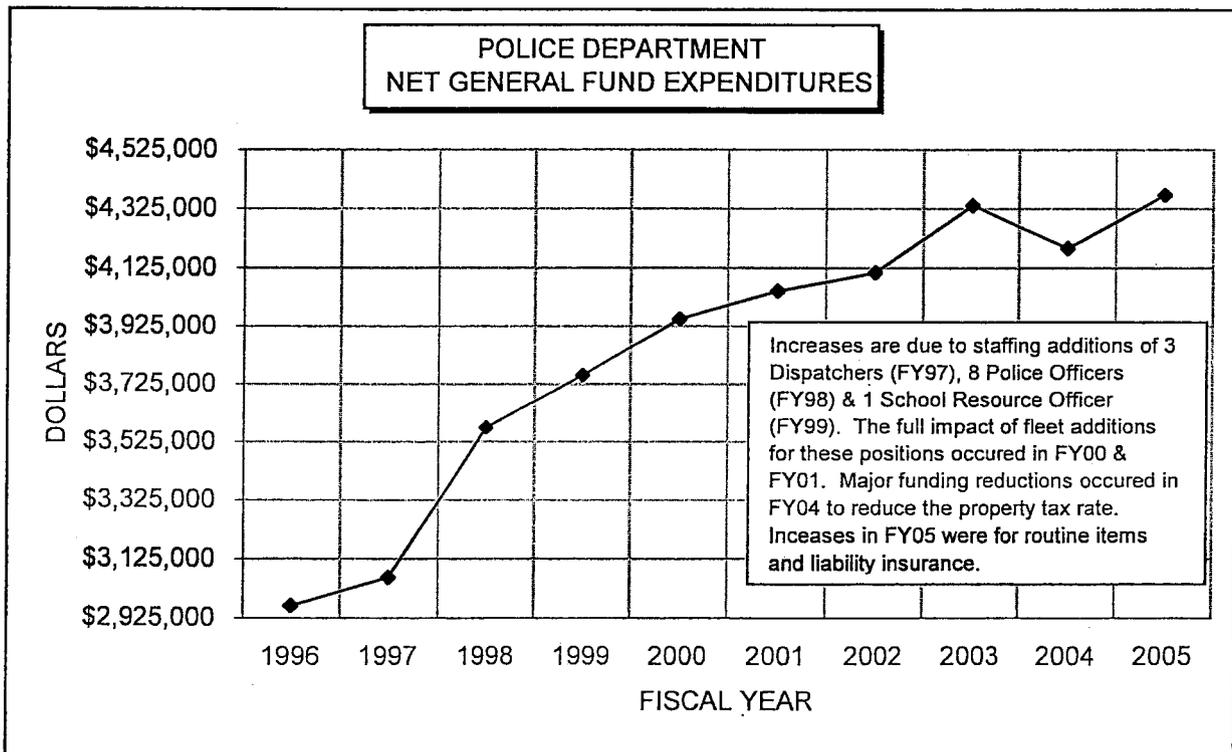
The Department is also responsible for administering the Drug Fund and the Emergency Communications District Fund. The Drug Fund is Special Revenue Fund utilized to account for drug related revenue and expenditures directly related to drug curtailment activities. The Emergency Communications Fund is an Enterprise Fund utilized to account for the proceeds of a surcharge on telephones in the City's 911 district which is used to support the City's 911 and other emergency communication systems.

The Investigations and Patrol activities work jointly to investigate all serious crimes, which include murder, rape, robbery, aggravated assault, burglary, larceny, and motor vehicle theft. The Animal Control activity, in cooperation with the Anderson County Humane Society, operates a model animal control program. Anderson County, the City of Clinton, and the City of Oliver Springs utilize the animal shelter facility on a fee basis. The School Resource Officer Program utilizes 2 police officers that are dedicated solely to working within the Oak Ridge school system. One officer is stationed at the High School and the other officer is split between the two Middle Schools. These officers also present DARE programs to the elementary schools. The objectives of this program are not only to decrease the number of crimes committed at or near school property, but to provide educational programs on topics such as drugs, law and justice, and to provide a means for positive interaction between the police and youth of the community.

POLICE DEPARTMENT	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHANGE
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GENERAL FUND

910 Supervision	158,539	171,643	170,261	176,477	4,834	2.8
911 Investigations	500,489	502,270	506,775	517,698	15,428	3.1
912 Staff Services	367,852	347,807	365,994	384,871	37,064	10.7
913 Patrol	2,609,290	2,565,058	2,586,643	2,715,076	150,018	5.8
915 Emergency Communications	319,672	219,754	221,070	235,869	16,115	7.3
916 Animal Control	198,926	234,452	224,052	222,921	(11,531)	-4.9
917 School Resource Officer Program	180,855	118,571	116,582	117,773	(798)	-0.7
Total Police Department	<u>4,335,623</u>	<u>4,159,555</u>	<u>4,191,377</u>	<u>4,370,685</u>	<u>211,130</u>	<u>5.1</u>



CITY OF OAK RIDGE

FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Police	Supervision	910

ACTIVITY DESCRIPTION

Police Supervision administers the resources of the Police Department, supervises all police operations and plans and coordinates programs designed to accomplish the department's objectives.

The primary goals of the Police Department are as follows: (1) protection of life and property; (2) maintenance of law and order with justice; (3) identification and arrest of criminals; (4) prevention of crime; (5) regulation of noncriminal behavior; (6) provision of public assistance; and (7) promotion of department professionalism and training.

The Department's first priority is responding to emergency situations, including areas of responsibility imposed by law and tradition and other emergencies for which no other governmental agency is responsible. Second priority is the suppression of crime and prosecution of violators. Third priority is the apprehension of violators of other laws and ordinances, including traffic offenses.

PERFORMANCE OBJECTIVES

1. Oversee and manage the accomplishment of the department's performance objectives.
2. Oversee the development of operational action plans to achieve department objectives.
3. Maintain a current Policy and Procedures Manual through periodic update.
4. Continue to enhance and expand community oriented policing.

SIGNIFICANT EXPENDITURE CHANGES

There are no significant expenditure changes for this activity in fiscal 2005.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
910 Police Supervision

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	109,932	119,010	118,716	122,288	3,278	2.8
5131. Regular Overtime Pay	845	990	0	0	990-	100.0-
5141. Social Security	8,206	9,180	9,082	9,355	175	1.9
5150. Retirement	10,549	10,632	10,632	12,535	1,903	17.9
5160. Medical & Workers Comp	12,856	14,257	14,257	14,725	468	3.3
Total Personal Services	142,388	154,069	152,687	158,903	4,834	3.1
Contractual Services						
5201. Rents	0	160	160	160	0	.0
5207. Dues, Memberships & Sub.	499	670	670	670	0	.0
5210. Prof. & Contractual Ser.	25	0	0	0	0	.0
5212. Utility Services	2,078	2,520	2,520	2,520	0	.0
5220. Travel, Schools, & Conf.	1,789	2,069	2,069	2,069	0	.0
5235. Routine Rep. & Maint.	0	100	100	100	0	.0
5236.13 Other Equipment Maint.	1,035	1,035	1,035	1,035	0	.0
5289. Equipment Use Charge	8,518	8,905	8,905	8,905	0	.0
Total Contractual Services	13,944	15,459	15,459	15,459	0	.0
Commodities						
5310. Supplies	2,068	1,530	1,530	1,530	0	.0
5320. Books/Education Material	0	475	475	475	0	.0
5325. Uniforms/Safety Equip.	103	110	110	110	0	.0
5330. Small Tools/Equipment	36	0	0	0	0	.0
Total Commodities	2,207	2,115	2,115	2,115	0	.0
Other Charges						
Total Other Charges	0	0	0	0	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	158,539	171,643	170,261	176,477	4,834	2.8
Reduction of Costs						
Total Reduction of Costs	0	0	0	0	0	.0
TOTAL NET EXPENDITURES	158,539	171,643	170,261	176,477	4,834	2.8

CITY OF OAK RIDGE

FUND General	DEPARTMENT Police	ACTIVITY Investigations	NUMBER 911
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ACTIVITY DESCRIPTION

The Investigations division conducts follow-up investigations of violent and serious crimes; drug enforcement, vice crime and all reported hate crimes. The division consists of general criminal investigations and drug enforcement investigations that conduct covert operations. The division maintains the departments technical and electronics laboratories; search, recover, identify and preserve evidence.

PERFORMANCE OBJECTIVES

1. Achieve a 25 percent serious crime clearance rate.
2. Achieve a 65 percent clearance rate of violent serious crimes.
3. Maintain a burglary clearance rate of 15%.
4. Conduct pro-active covert operations, involving illegal drug sales and vice crimes.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Serious Crimes (including all Group A offenses expect theft.)	2,078	2,000	2,100	2,000
Serious Crimes clearance rate	31%	25%	30%	25%
Crimes against persons clearance rate	57%	65%	65%	65%
Burglaries	331	325	325	325
Burglary clearance rate	14%	15%	15%	15%

SIGNIFICANT EXPENDITURE CHANGES

Personal Services decreased \$2,432 related to turnover in staff. Contractual Services increased by \$16,750 to fund the rental charges on 3 investigation vehicles. Rental charges on vehicles fund the future replacement of the vehicle and the actual operating costs. Liability Insurance costs increased by \$1,600 due to higher premiums which mirrors the nationwide industry trend.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
911 Investigations

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	336,513	341,777	328,500	327,509	14,268-	4.2-
5131. Regular Overtime Pay	36,255	18,780	36,700	25,000	6,220	33.1
5141. Social Security	29,090	27,583	27,935	26,967	616-	2.2-
5150. Retirement	32,258	31,945	31,945	36,305	4,360	13.6
5160. Medical & Workers Comp	50,201	56,317	56,317	58,189	1,872	3.3
Total Personal Services	484,317	476,402	481,397	473,970	2,432-	.5-
Contractual Services						
5207. Dues, Memberships & Sub.	500	100	100	100	0	.0
5210. Prof. & Contractual Ser.	0	500	500	500	0	.0
5212. Utility Services	2,207	3,000	3,000	3,000	0	.0
5220. Travel, Schools, & Conf.	738	4,083	4,083	4,083	0	.0
5235. Routine Rep. & Maint.	0	100	100	100	0	.0
5236.13 Other Equipment Maint.	1,725	1,725	1,725	1,725	0	.0
5289. Equipment Use Charge	6,794	5,300	5,300	22,050	16,750	316.0
Total Contractual Services	11,964	14,808	14,808	31,558	16,750	113.1
Commodities						
5310. Supplies	3,391	3,770	3,770	3,770	0	.0
5320. Books/Education Material	0	100	100	100	0	.0
5325. Uniforms/Safety Equip.	1,650	2,490	2,000	2,000	490-	19.7-
Total Commodities	5,041	6,360	5,870	5,870	490-	7.7-
Other Charges						
5410. Insurance	4,040	4,700	4,700	6,300	1,600	34.0
Total Other Charges	4,040	4,700	4,700	6,300	1,600	34.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	505,362	502,270	506,775	517,698	15,428	3.1
Reduction of Costs						
5610. Recovered from Users	4,874-	0	0	0	0	.0
Total Reduction of Costs	4,874-	0	0	0	0	.0
TOTAL NET EXPENDITURES	500,488	502,270	506,775	517,698	15,428	3.1

CITY OF OAK RIDGE

FUND General	DEPARTMENT Police	ACTIVITY Staff Services	NUMBER 912
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ACTIVITY DESCRIPTION

The Staff Services section supervises Police Records, monitors training for sworn personnel in accordance with minimum POST standards, maintains custody of all evidence and performs any other staff functions as assigned. The mission of police records is to maintain information on investigations and supporting files, provide limited statistical analysis, and provide for the dissemination of appropriate information to the public and other law enforcement agencies in accordance with legal requirements and departmental policy.

PERFORMANCE OBJECTIVES

1. Monitor training received by sworn personnel to ensure compliance with minimum POST Standards.
2. Assist in the implementation of Tracs Crash Reporting as it applies to the Police Records Function.
3. Monitor the property control system and conduct random internal audits.
4. Provide information to the public without unreasonable delay and in accordance with legal requirements.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Projected minimum training to meet POST requirements.	3,760	3,400	3,800	3,400

SIGNIFICANT EXPENDITURE CHANGES

Contractual Services increased by \$6,725 of which \$420 was for copier rental and \$6,305 for the annual maintenance cost on the Vision software. Funding for uniforms increased by \$660 reflecting actually occurring costs.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
912 Staff Services

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	242,915	233,950	243,690	251,004	17,054	7.3
5120. Salaries-Temp. Employees	633	0	0	0	0	.0
5131. Regular Overtime Pay	15,372	2,863	9,200	7,000	4,137	144.5
5141. Social Security	18,949	18,116	19,346	19,737	1,621	8.9
5150. Retirement	21,899	20,982	20,982	26,445	5,463	26.0
5160. Medical & Workers Comp	37,331	42,156	42,156	43,560	1,404	3.3
Total Personal Services	337,099	318,067	335,374	347,746	29,679	9.3
Contractual Services						
5201. Rents	2,302	2,280	2,500	2,700	420	18.4
5207. Dues, Memberships & Sub.	333	110	110	110	0	.0
5212. Utility Services	3,495	3,900	3,900	3,900	0	.0
5220. Travel, Schools, & Conf.	1,758	1,830	1,830	1,830	0	.0
5235. Routine Rep. & Maint.	15,035	15,035	15,035	21,340	6,305	41.9
5236.13 Other Equipment Maint.	2,580	2,580	2,580	2,580	0	.0
Total Contractual Services	25,503	25,735	25,955	32,460	6,725	26.1
Commodities						
5310. Supplies	4,151	3,565	3,565	3,565	0	.0
5325. Uniforms/Safety Equip.	1,209	440	1,100	1,100	660	150.0
Total Commodities	5,360	4,005	4,665	4,665	660	16.5
Other Charges						
Total Other Charges	0	0	0	0	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	367,962	347,807	365,994	384,871	37,064	10.7
Reduction of Costs						
5610. Recovered from Users	110-	0	0	0	0	.0
Total Reduction of Costs	110-	0	0	0	0	.0
TOTAL NET EXPENDITURES	367,852	347,807	365,994	384,871	37,064	10.7

CITY OF OAK RIDGE

FUND General	DEPARTMENT Police	ACTIVITY Patrol	NUMBER 913
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ACTIVITY DESCRIPTION

The basic responsibility of the uniformed Patrol force is to ensure community peace through the prevention, detection and investigation of crimes; the apprehension of criminal and traffic law violators; the regulation and control of traffic on city streets; and the provision of miscellaneous information and services to citizens and visitors on noncriminal matters.

Activity goals are to deter crime through visible patrol; to investigate crimes and apprehend criminal violators; to regulate traffic in such a manner as to ensure, to the greatest extent possible, the safe movement of traffic; to provide noncriminal assistance to the public as appropriate.

PERFORMANCE OBJECTIVES

1. Maintain level of traffic enforcement at 80% of the FY 2002 level, or 646 citations, warnings and repair orders.
2. Tag a removed abandoned vehicles over the center city area in a systematic manner.
3. Develop two new neighborhood watch areas in the center city.
4. Conduct two citizens police academies during FY 2005.
5. Revise traffic crash reporting procedures to reduce the number of unnecessary accident investigations on private property.
6. Maintain the number of serious crimes at the FY 2002 level of 2,072.
7. Maintain a ratio of arrests to reported serious offenses at or above the FY 2002 level of 33%.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Serious crimes	2,360	1,903	2,400	2,072
Serious crimes per population	1:12	1:14	1:11	1:14
Part I arrests	619	600	650	600
Arrests to serious offenses	26%	30%	30%	33%
Serious crimes cleared	619	600	650	600

SIGNIFICANT EXPENDITURE CHANGES

Budgeted expenditures for routine maintenance increased by \$11,210 for the annual maintenance costs on the police Vision software. This increase was offset by an \$11,020 decrease in budgeted funding for equipment use charges. Equipment use charges on vehicles fund the future replacement of the vehicle and the actual operating costs. These charges will fluctuate from year-to-year based on the timing of the attainment of the funding for the replacement of the vehicle and the actual purchase of the vehicle. Liability Insurance costs increased by \$8,930 due to higher premiums which mirrors a nationwide industry trend.

Reduction of Costs includes proceeds from billings to other entities, such as the Schools, for contracted services provided by the police department.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
913 Patrol

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	1,548,774	1,528,815	1,542,725	1,609,928	81,113	5.3
5120. Salaries-Temp. Employees	3,147	0	0	0	0	.0
5131. Regular Overtime Pay	109,623	93,695	100,000	105,000	11,305	12.1
5141. Social Security	136,834	124,223	125,668	131,192	6,969	5.6
5150. Retirement	159,905	143,863	143,863	175,780	31,917	22.2
5160. Medical & Workers Comp	272,585	288,155	288,155	297,749	9,594	3.3
Total Personal Services	2,230,868	2,178,751	2,200,411	2,319,649	140,898	6.5
Contractual Services						
5205. Printing & Dup. Charges	598	2,200	2,200	2,200	0	.0
5206. Mailing & Delivery	0	25	25	25	0	.0
5207. Dues, Memberships & Sub.	2,050	130	130	130	0	.0
5210. Prof. & Contractual Ser.	637	2,300	2,300	2,300	0	.0
5212. Utility Services	8,582	11,975	11,900	11,975	0	.0
5220. Travel, Schools, & Conf.	15,759	12,164	12,164	12,164	0	.0
5235. Routine Rep. & Maint.	30,321	34,653	34,653	45,863	11,210	32.3
5236.13 Other Equipment Maint.	8,160	8,160	8,160	8,160	0	.0
5289. Equipment Use Charge	266,689	265,000	265,000	253,980	11,020-	4.2-
Total Contractual Services	332,796	336,607	336,532	336,797	190	.1
Commodities						
5310. Supplies	17,214	22,900	22,900	22,900	0	.0
5320. Books/Education Material	4,016	3,380	3,380	3,380	0	.0
5325. Uniforms/Safety Equip.	11,907	16,050	16,050	16,050	0	.0
5334. Motor Fuels, Oils & Lub.	415	0	0	0	0	.0
Total Commodities	33,552	42,330	42,330	42,330	0	.0
Other Charges						
5410. Insurance	21,120	25,870	25,870	34,800	8,930	34.5
Total Other Charges	21,120	25,870	25,870	34,800	8,930	34.5
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	2,618,336	2,583,558	2,605,143	2,733,576	150,018	5.8
Reduction of Costs						
5610. Recovered from Users	9,044-	18,500-	18,500-	18,500-	0	.0
Total Reduction of Costs	9,044-	18,500-	18,500-	18,500-	0	.0
TOTAL NET EXPENDITURES	2,609,292	2,565,058	2,586,643	2,715,076	150,018	5.8

CITY OF OAK RIDGE

FUND General	DEPARTMENT Police	ACTIVITY Emergency Communications	NUMBER 915
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ACTIVITY DESCRIPTION

The Emergency Communications activity provides emergency communication and dispatch services for Fire, Police and county ambulance services in Oak Ridge. In addition this activity coordinates maintenance for and manages the city's 800Mhz trunked radio system and the 911 telephone system. The goal is to provide effective methods of communication between citizens and the members of all emergency services of the City.

PERFORMANCE OBJECTIVES

1. Train all public safety dispatchers to obtain information from Spanish speaking callers.
2. Dispatch all police, fire, and ambulance calls timely and accurately.
3. Maintain training of all Public Safety Dispatchers in accordance with APCO standards, with emphasis on Emergency Medical Dispatch.
4. Move forward with Phase II E-911 deployment (in regards to tracking cellular telephones).

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Total calls for service	36,291	40,000	40,000	40,000

SIGNIFICANT EXPENDITURE CHANGES

Budgeted funding for Utility services was decreased by \$810 and funding for uniforms increased by \$1,000 to reflect actual usage patterns. Liability Insurance costs increased by \$340 due to higher premiums which mirrors the nationwide industry trend.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
915 Emergency Communications

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	271,509	270,850	268,502	276,563	5,713	2.1
5131. Regular Overtime Pay	10,316	12,000	15,700	18,000	6,000	50.0
5141. Social Security	21,487	21,638	21,741	22,534	896	4.1
5150. Retirement	25,019	25,061	25,061	30,193	5,132	20.5
5160. Medical & Workers Comp	49,301	55,898	55,898	57,770	1,872	3.3
Total Personal Services	377,632	385,447	386,902	405,060	19,613	5.1
Contractual Services						
5201. Rents	6,400	6,400	6,400	6,400	0	.0
5207. Dues, Memberships & Sub.	0	150	150	150	0	.0
5210. Prof. & Contractual Ser.	13	0	0	0	0	.0
5212. Utility Services	150	1,560	750	750	810-	51.9-
5220. Travel, Schools, & Conf.	1,157	2,871	2,871	2,871	0	.0
5235. Routine Rep. & Maint.	2,468	2,150	2,150	2,150	0	.0
5236.13 Other Equipment Maint.	6,385	6,385	6,385	6,385	0	.0
Total Contractual Services	16,573	19,516	18,706	18,706	810-	4.2-
Commodities						
5310. Supplies	1,005	1,330	1,330	1,330	0	.0
5320. Books/Education Material	356	0	0	0	0	.0
5325. Uniforms/Safety Equip.	184	1,200	2,200	2,200	1,000	83.3
Total Commodities	1,545	2,530	3,530	3,530	1,000	39.5
Other Charges						
5410. Insurance	3,840	4,700	4,700	5,040	340	7.2
Total Other Charges	3,840	4,700	4,700	5,040	340	7.2
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	399,590	412,193	413,838	432,336	20,143	4.9
Reduction of Costs						
5610. Recovered from Users	0	110,000-	110,000-	110,000-	0	.0
5670. Recovered from Funds	79,918-	82,439-	82,768-	86,467-	4,028-	4.9
Total Reduction of Costs	79,918-	192,439-	192,768-	196,467-	4,028-	2.1
TOTAL NET EXPENDITURES	319,672	219,754	221,070	235,869	16,115	7.3

CITY OF OAK RIDGE

FUND General	DEPARTMENT Police	ACTIVITY Animal Control	NUMBER 916
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ACTIVITY DESCRIPTION

This activity includes operation of the Animal Shelter and the enforcement of City animal control ordinances through animal registration, city patrol, apprehension of animals running at large, quarantine of bites, answering of citizen complaints, and follow-up on suspected rabies cases.

PERFORMANCE OBJECTIVES

1. Maintain the number of animal bites at fifty or less per year.
2. Increase the number of registered animals through enforcement and public education.
3. Continue to improve shelter health care by working with staff veterinarian and humane society volunteers.
4. Reduce the number of animal apprehensions through public education and public relations campaigns.
5. Certify new employees through NACA (National Animal Control Association).
6. Maintain all employee and facility certifications and licenses.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Animal bites reported	40	50	50	50
Animal bites attributable to at-large Animals	10	10	10	10
Animal apprehensions	2,116	2,400	2,400	2,400
Registered animals	4,659	5,600	5,600	5,600

SIGNIFICANT EXPENDITURE CHANGES

Personal Services decreased \$19,166, primarily for a \$14,274 reduction in funding for overtime. These funds were reallocated for overtime in other police functions, primarily patrol.

Contractual Services increased \$6,880. Utility charges increased \$4,230 to reflect increased rates for natural gas. Funding for equipment use charges increased by \$1,320. Equipment use charges on vehicles fund the future replacement of the vehicle and the actual operating costs. Custodial services increased by \$900 based on contractual modifications and funding for routine maintenance on the animal shelter is up \$410. Liability Insurance costs increased by \$755 due to higher premiums which mirrors a nationwide industry trend.

Reduction of Costs includes fees charged to Anderson County, the City of Clinton and the City of Oliver Springs for care, boarding and disposal of animals apprehended by those entities.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
916 Animal Control

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	109,438	109,100	107,610	104,978	4,122-	3.8-
5131. Regular Overtime Pay	8,322	24,274	13,000	10,000	14,274-	58.8-
5141. Social Security	8,602	10,218	9,227	8,796	1,422-	13.9-
5150. Retirement	11,400	11,835	11,835	11,785	50-	.4-
5160. Medical & Workers Comp	18,591	20,978	20,978	21,680	702	3.3
Total Personal Services	156,353	176,405	162,650	157,239	19,166-	10.9-
Contractual Services						
5201. Rents	364	360	360	370	10	2.8
5207. Dues, Memberships & Sub.	0	140	140	140	0	.0
5210. Prof. & Contractual Ser.	12,072	13,722	13,722	13,722	0	.0
5210.202 Custodial Contract	5,472	5,590	6,240	6,490	900	16.1
5210.203 Mowing Contract	539	580	570	590	10	1.7
5211. Advertising & Publicity	0	200	200	200	0	.0
5212. Utility Services	27,622	28,160	30,475	32,390	4,230	15.0
5220. Travel, Schools, & Conf.	75	965	965	965	0	.0
5235. Routine Rep. & Maint.	8,553	8,400	8,800	8,810	410	4.9
5236.13 Other Equipment Maint.	690	690	690	690	0	.0
5289. Equipment Use Charge	10,123	14,915	14,915	16,235	1,320	8.9
Total Contractual Services	65,510	73,722	77,077	80,602	6,880	9.3
Commodities						
5310. Supplies	14,245	13,575	13,575	13,575	0	.0
5320. Books/Education Material	0	400	400	400	0	.0
5325. Uniforms/Safety Equip.	562	900	900	900	0	.0
Total Commodities	14,807	14,875	14,875	14,875	0	.0
Other Charges						
5410. Insurance	2,011	2,450	2,450	3,205	755	30.8
Total Other Charges	2,011	2,450	2,450	3,205	755	30.8
Capital Expenditures						
5520. Buildings & Structures	5,500-	0	0	0	0	.0
Total Capital Expenditures	5,500-	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	233,181	267,452	257,052	255,921	11,531-	4.3-
Reduction of Costs						
5610. Recovered from Users	34,253-	33,000-	33,000-	33,000-	0.	.0
Total Reduction of Costs	34,253-	33,000-	33,000-	33,000-	0	.0
TOTAL NET EXPENDITURES	198,928	234,452	224,052	222,921	11,531-	4.9-

CITY OF OAK RIDGE

FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Police	School Resource Officer Program	917

ACTIVITY DESCRIPTION

During fiscal year 1995, the Police Department began the initial start up of a full time School Resource Officer Program. The mission of this program is to work primarily in the area of proactive, or preventive police services. In this program, three police officers are dedicated solely to working within the school system, dividing their time among the various City schools. The goals of the School Resource Officer Program are:

1. To improve the police image in the eyes of the staff and the students.
2. To develop a close coordination between a school and police community team that works on mutual problems.
3. To prevent delinquent behavior through early detection by working closely with students, their parents and the community to redirect antisocial behavior.
4. To provide summer safety education at playgrounds, YWCA Safety-Town, driver's education, community meetings and neighborhood watch.
5. To investigate violations of law in the schools.

PERFORMANCE OBJECTIVES

1. To decrease the number of crimes committed on or near school property, and at school sponsored activities.
2. To provide a confidential setting conducive to youth's willingness to report crimes committed against themselves or their property.
3. To provide positive interaction between the police, school officials, and youth in the community.
4. To improve educational efforts in the schools concerning law, justice, and safety.
5. To help initiate and maintain police/school relations and to aid in the referral of juveniles to appropriate helping persons and agencies.
6. To provide early identification of youth who have potential behavior problems.
7. To present the Drug Abuse Resistance Education (D.A.R.E.) Program.
8. To provide support to Youth Advisory Board activities.

SIGNIFICANT EXPENDITURE CHANGES

The \$2,602 decline in budgeted Personal Services is the result of staffing turnover. Contractual Services increased by \$1,045 to fund the rental charges on vehicles used by the School Resource Officers. Rental charges on vehicles fund the future replacement of the vehicle and the actual operating costs. Liability Insurance costs increased by \$759 due to higher premiums which mirrors a nationwide industry trend.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
917 School Resource Officer Prog.

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	122,566	75,584	71,708	73,849	1,735-	2.3-
5131. Regular Overtime Pay	9,047	4,498	6,500	3,000	1,498-	33.3-
5141. Social Security	10,020	6,298	5,983	5,879	419-	6.7-
5150. Retirement	9,948	7,295	7,295	7,877	582	8.0
5160. Medical & Workers Comp	18,509	13,990	13,990	14,458	468	3.3
Total Personal Services	170,090	107,665	105,476	105,063	2,602-	2.4-
Contractual Services						
5212. Utility Services	208	500	500	500	0	.0
5220. Travel, Schools, & Conf.	1,518	1,000	1,000	1,000	0	.0
5236.13 Other Equipment Maint.	1,035	690	690	690	0	.0
5289. Equipment Use Charge	3,467	2,955	2,955	4,000	1,045	35.4
Total Contractual Services	6,228	5,145	5,145	6,190	1,045	20.3
Commodities						
5310. Supplies	2,469	3,140	3,140	3,140	0	.0
5325. Uniforms/Safety Equip.	711	680	880	680	0	.0
Total Commodities	3,180	3,820	4,020	3,820	0	.0
Other Charges						
5410. Insurance	1,920	1,941	1,941	2,700	759	39.1
Total Other Charges	1,920	1,941	1,941	2,700	759	39.1
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	181,418	118,571	116,582	117,773	798-	.7-
Reduction of Costs						
5610. Recovered from Users	564-	0	0	0	0	.0
Total Reduction of Costs	564-	0	0	0	0	.0
TOTAL NET EXPENDITURES	180,854	118,571	116,582	117,773	798-	.7-





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Fire

FIRE DEPARTMENT

The Oak Ridge Fire Department is responsible for the protection of life and property against fire and other emergencies. The Department is comprised of 44 uniform personnel supplemented by fire specialists. Fire specialists are either off-duty firefighters or City employees of other departments trained to support on-duty personnel with structural fire fighting operations.

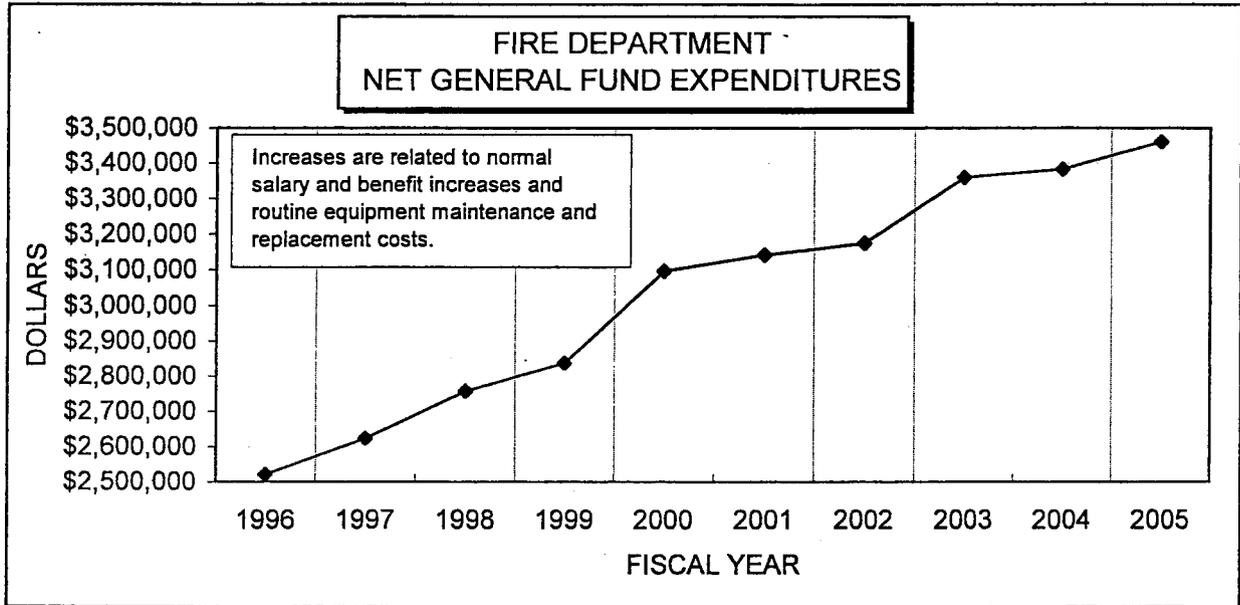
The Department provides a wide-range of emergency services in addition to fire suppression, including first responder emergency medical service, hazardous materials response, and vehicle extrication, trench and confined space rescue among others. Fire prevention activities, including building plan review, fire code enforcement, and public education, are pursued on a full-time basis. In fiscal 2003, there were 939 fire code inspections resulting in sites for 535 code violations. Three shifts with fourteen on-duty personnel are utilized to staff the City's three fire stations. The City of Oak Ridge presently enjoys an Insurance Services Office (ISO) rating of Class Three. The Fire Department has mutual aid agreements with the Department of Energy and with most surrounding agencies.

During fiscal 2003, there were 3,497 calls for service, with 1,960 being emergency calls. Due to the continuing increase in the number of requests for emergency medical assistance, the Department has shifted many of its training resources to focus on this area. As a result of this demand, 11 Department employees are trained to the level of Paramedic and 30 to the level of EMT. All Fire Department personnel are certified in CPR. Approximately 70% of the time the in-service engine companies provide the advanced life support level of emergency medical care. The per capita fire loss for 2003 was \$20. Average response time was 4:55 minutes.

FIRE DEPARTMENT	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHANGE
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GENERAL FUND

921 Supervision	164,196	163,851	163,785	169,982	6,131	3.7
922 Fire Prevention	100,619	102,090	102,303	103,536	1,446	1.4
923 Fire Fighting	2,852,530	2,778,780	2,881,399	2,942,606	163,826	5.9
924 Fire Stations	90,909	88,416	85,285	87,151	(1,265)	-1.4
925 Fire Specialists	151,143	151,600	150,283	156,957	5,357	3.5
Total Fire Department	3,359,397	3,284,737	3,383,055	3,460,232	175,495	5.3



CITY OF OAK RIDGE			
FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Fire	Supervision	921

ACTIVITY DESCRIPTION

The Fire Department, under the direction of the Fire Chief, is responsible for the protection of life and property against fire and other disastrous emergencies. This responsibility is effected through the supervision of the department in its efforts to prevent and extinguish fires and the abatement of life safety hazards. The Fire Chief coordinates the other activities within the department and external interaction necessary to accomplish department's goals and objectives. The goals of the department include the maintenance of an environment free from the devastating effects of fire and other potential hazards of a disastrous nature and the confinement of damage from hostile fires to the room of origin. These goals are furthered by conducting public education programs and encouraging the installation of smoke detectors and fire suppression systems.

Fire Supervision administers the department; supervises all fire operations; plans for emergency operations, fire prevention programs, and in-service training; and directs public education and fire safety programs.

PERFORMANCE OBJECTIVES

1. Maintain the current disaster plan, and hold community-wide exercises utilizing assets from at least three agencies outside the Oak Ridge city government.
2. Evaluate record keeping procedures. Insure the maintenance of adequate departmental records to monitor performance, while eliminating forms and records no longer needed.
3. Develop training programs, both on the job and formal, that will allow employees seeking promotion to the officer level to meet selected guidelines of the National Fire Protection Association, and that will allow other employees to develop their skills to the extent they desire.
4. Return site review comments to Development Implementation within two days of receipt.
5. Maintain the Fire Department's positive image in the community by taking advantage of as many opportunities as possible to make presentations to groups, especially adults.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Newly-constructed or substantially renovated Commercial structures with automatic fire Suppression systems or early alarm systems	80%	100%	85%	100%
Building fires confined to room of origin	93%	99%	95%	99%

SIGNIFICANT EXPENDITURE CHANGES

There are no significant expenditure changes for this activity in fiscal 2005.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
921 Fire Supervision

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	116,079	116,568	116,506	119,996	3,428	2.9
5131. Regular Overtime Pay	73	0	0	0	0	.0
5141. Social Security	8,847	8,917	8,913	9,180	263	2.9
5150. Retirement	10,625	10,328	10,328	12,300	1,972	19.1
5160. Medical & Workers Comp	12,694	14,265	14,265	14,733	468	3.3
Total Personal Services	148,318	150,078	150,012	156,209	6,131	4.1
Contractual Services						
5206. Mailing & Delivery	0	60	60	60	0	.0
5207. Dues, Memberships & Sub.	445	440	440	440	0	.0
5210. Prof. & Contractual Ser.	0	313	313	313	0	.0
5212. Utility Services	2,588	2,600	2,600	2,600	0	.0
5220. Travel, Schools, & Conf.	100	1,875	1,875	1,875	0	.0
5236.13 Other Equipment Maint.	790	790	790	790	0	.0
5289. Equipment Use Charge	4,199	4,295	4,295	4,295	0	.0
Total Contractual Services	8,122	10,373	10,373	10,373	0	.0
Commodities						
5310. Supplies	5,838	3,000	3,000	3,000	0	.0
5320. Books/Education Material	1,095	400	400	400	0	.0
5325. Uniforms/Safety Equip.	433	0	0	0	0	.0
5330. Small Tools/Equipment	173	0	0	0	0	.0
5399. Other Commodities	218	0	0	0	0	.0
Total Commodities	7,757	3,400	3,400	3,400	0	.0
Other Charges						
Total Other Charges	0	0	0	0	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	164,197	163,851	163,785	169,982	6,131	3.7
Reduction of Costs						
Total Reduction of Costs	0	0	0	0	0	.0
TOTAL NET EXPENDITURES	164,197	163,851	163,785	169,982	6,131	3.7

CITY OF OAK RIDGE

FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Fire	Fire Prevention	922

ACTIVITY DESCRIPTION

This activity, under the direction of the Deputy Chief-Fire Prevention, performs functions intended to prevent fires through the abatement of potential fire causes. Abatement activities include review of site and building plans for new commercial construction and initial compliance inspections for Certificate of Occupancy permits. In addition to these duties, this activity is responsible for investigating fire code violations and complaints, for performing code compliance inspections and surveys which are conducted by firefighting personnel, and for conducting fire safety education efforts such as lectures and press releases. This activity also investigates and prepares reports on all fire incidents. Suspicious fires are physically investigated, and through this office information and evidence are gathered in support of a police investigation.

PERFORMANCE OBJECTIVES

1. Conduct fire prevention surveys of all commercial property on a semi-annual basis.
2. Ensure compliance with fire protection standards for commercial development by reviewing construction plans within seven days and by monitoring the Certificate of Occupancy program.
3. Use an aggressive public fire safety education program to reduce the number of residential fires in the top "Ignition Factor" category by 25 percent and increase attendance at fire safety education presentations.
4. Reduce fires resulting from intentional causes by thoroughly and accurately identifying all occurrences of incendiary fires through the development of a fire investigation program, and increase the number of arson cases successfully closed.
5. Assure the installation of appropriate fire detection and suppression systems in all new and substantially renovated properties through the plans review and inspection processes.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Commercial fire prevention surveys conducted semi-annually	876	1,800	900	1,000
Violations reported by department inspection	850	1,200	900	1,000
Construction plans reviewed within 7 days	97%	100%	98%	100%
Attendance at presentations	10,993	8,500	9,000	8,500
Residential fires from "electrical causes"	5	5	4	5

SIGNIFICANT EXPENDITURE CHANGES

Budgeted funding for Contractual Services declined \$2,140 for Equipment Use Charges, which funds the actual maintenance and future replacement of vehicles. The decline is due to the funding for the replacement of the vehicle being obtained prior to the purchase of the replacement vehicle. Vehicles are replaced on an as need basis rather than at full depreciation.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
922 Fire Prevention

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	62,646	63,008	63,206	65,108	2,100	3.3
5141. Social Security	4,747	4,820	4,835	4,981	161	3.3
5150. Retirement	5,576	5,583	5,583	6,674	1,091	19.5
5160. Medical & Workers Comp	6,361	7,150	7,150	7,384	234	3.3
Total Personal Services	79,330	80,561	80,774	84,147	3,586	4.5
Contractual Services						
5205. Printing & Dup. Charges	352	1,200	1,200	1,200	0	.0
5206. Mailing & Delivery	0	200	200	200	0	.0
5207. Dues, Memberships & Sub.	821	565	565	565	0	.0
5210. Prof. & Contractual Ser.	0	312	312	312	0	.0
5212. Utility Services	1,173	1,300	1,300	1,300	0	.0
5220. Travel, Schools, & Conf.	3,226	3,237	3,237	3,237	0	.0
5235. Routine Rep. & Maint.	558	0	0	0	0	.0
5236.13 Other Equipment Maint.	645	645	645	645	0	.0
5289. Equipment Use Charge	4,257	4,340	4,340	2,200	2,140-	49.3-
Total Contractual Services	11,032	11,799	11,799	9,659	2,140-	18.1-
Commodities						
5310. Supplies	3,827	7,500	7,500	7,500	0	.0
5320. Books/Education Material	2,906	2,000	2,000	2,000	0	.0
5325. Uniforms/Safety Equip.	1,635	230	230	230	0	.0
5330. Small Tools/Equipment	15	0	0	0	0	.0
5399. Other Commodities	1,875	0	0	0	0	.0
Total Commodities	10,258	9,730	9,730	9,730	0	.0
Other Charges						
Total Other Charges	0	0	0	0	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	100,620	102,090	102,303	103,536	1,446	1.4
Reduction of Costs						
Total Reduction of Costs	0	0	0	0	0	.0
TOTAL NET EXPENDITURES	100,620	102,090	102,303	103,536	1,446	1.4

CITY OF OAK RIDGE			
FUND General	DEPARTMENT Fire	ACTIVITY Fire Fighting	NUMBER 923

ACTIVITY DESCRIPTION

Under the direction of the Fire Chief, this activity includes the trained on-duty fire fighting staff and equipment necessary to provide a range of services to respond to fires, accidents, or natural disasters; to reduce the frequency and severity of fires through fire prevention activities; and to prevent neighborhood deterioration through voluntary inspections and community education. Additional activities include commercial inspections, fire fighting pre-planning, residential safety inspections, and hydrant inspection and maintenance.

PERFORMANCE OBJECTIVES

1. Confine all fires to the damage level existing at the arrival time of fire suppression units.
2. Maintain fire suppression performance levels that exceed national standards.
3. Maintain fire fighting training levels that exceed national standards.
4. Conduct routine preventive maintenance on City fire hydrants in the most cost effective manner, permanently identify with current color codings (NFPA standards), and flow test all hydrants to determine capacity on a three year schedule.
5. Identify all locations within the City where regulatory quantities of hazardous materials are located and prepare pre-incident plans to control fires and/or spills for these locations. Update one-third of the pre-incident plans annually.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Average response time	3.5mins.	3.9 mins.	4.2mins.	4.0mins.
Average control time	3.6mins.	4.0 mins.	4.0mins.	4.0mins.
Fires contained to the damage level on Arrival of first fire unit	93%	100%	95%	100%
Employees certified at NFPA Fire Fighter II	32	45	33	45
Fire hydrants maintained annually	2,550	2,500	2,550	2,500

SIGNIFICANT EXPENDITURE CHANGES

Contractual Services increased \$3,950 for Vehicle/Equipment use charges based on current equipment maintenance requirements. Liability Insurance costs increased by \$7,980 due to higher premiums which mirrors a nationwide industry trend.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
923 Firefighting

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	1,501,956	1,563,415	1,563,000	1,638,986	75,571	4.8
5131. Regular Overtime Pay	394,358	214,170	310,000	240,000	25,830	12.1
5141. Social Security	141,604	136,081	143,285	144,507	8,426	6.2
5150. Retirement	176,986	157,602	157,602	189,843	32,241	20.5
5160. Medical & Workers Comp	248,998	294,267	294,267	304,095	9,828	3.3
Total Personal Services	2,463,902	2,365,535	2,468,154	2,517,431	151,896	6.4
Contractual Services						
5205. Printing & Dup. Charges	849	0	0	0	0	.0
5207. Dues, Memberships & Sub.	1,946	460	460	460	0	.0
5210. Prof. & Contractual Ser.	15,563	16,980	16,980	16,980	0	.0
5212. Utility Services	46,567	46,520	46,520	46,520	0	.0
5220. Travel, Schools, & Conf.	14,856	40,000	40,000	40,000	0	.0
5235. Routine Rep. & Maint.	10,790	0	0	0	0	.0
5236.13 Other Equipment Maint.	1,345	1,345	1,345	1,345	0	.0
5289. Equipment Use Charge	188,519	200,000	200,000	203,950	3,950	2.0
Total Contractual Services	280,435	305,305	305,305	309,255	3,950	1.3
Commodities						
5310. Supplies	38,671	60,000	60,000	60,000	0	.0
5320. Books/Education Material	1,216	6,500	6,500	6,500	0	.0
5325. Uniforms/Safety Equip.	25,090	17,920	17,920	17,920	0	.0
5330. Small Tools/Equipment	22,512	0	0	0	0	.0
5334. Motor Fuels, Oils & Lub.	164	0	0	0	0	.0
5399. Other Commodities	4,438	0	0	0	0	.0
Total Commodities	92,091	84,420	84,420	84,420	0	.0
Other Charges						
5410. Insurance	19,200	23,520	23,520	31,500	7,980	33.9
Total Other Charges	19,200	23,520	23,520	31,500	7,980	33.9
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	2,855,628	2,778,780	2,881,399	2,942,606	163,826	5.9
Reduction of Costs						
5610. Recovered from Users	3,100-	0	0	0	0	.0
Total Reduction of Costs	3,100-	0	0	0	0	.0
TOTAL NET EXPENDITURES	2,852,528	2,778,780	2,881,399	2,942,606	163,826	5.9

CITY OF OAK RIDGE			
FUND General	DEPARTMENT Fire	ACTIVITY Fire Stations	NUMBER 924

ACTIVITY DESCRIPTION

Building maintenance and operation of the three fire stations listed below are charged to this activity:

Station No. 1 - 2097 Oak Ridge Turnpike (West End)
 Station No. 2 - 609 Oak Ridge Turnpike (East End)
 Station No. 3 - 333 Tuskegee Drive

PERFORMANCE OBJECTIVES

1. Maintain energy consumption at fire stations at FY 1994 levels.
2. Maintain an accident-free environment for the fire station activities.
3. Maximize cost effectiveness in application of materials, equipment and supplies related to site use and maintenance.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Energy Consumption: KW hours of electricity used	295,320	330,000	285,300	330,000

SIGNIFICANT EXPENDITURE CHANGES

Contractual Services decreased \$2,710 for Vehicle/Equipment use charges based on current equipment maintenance requirements. Liability Insurance costs increased by \$1,145 due to higher premiums which mirrors a nationwide industry trend.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
924 Fire Stations

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
Total Personal Services	0	0	0	0	0	.0
Contractual Services						
5201. Rents	364	360	360	370	10	2.8
5207. Dues, Memberships & Sub.	0	1,101	1,101	1,101	0	.0
5210. Prof. & Contractual Ser.	0	535	535	535	0	.0
5212. Utility Services	40,814	45,320	42,119	43,300	2,020-	4.5-
5235. Routine Rep. & Maint.	24,253	14,640	14,710	14,640	0	.0
5236.13 Other Equipment Maint.	2,070	2,070	2,070	2,070	0	.0
5289. Equipment Use Charge	1,144	2,080	2,080	1,380	700-	33.7-
Total Contractual Services	68,645	66,106	62,975	63,396	2,710-	4.1-
Commodities						
5310. Supplies	18,484	21,090	21,090	21,090	0	.0
5330. Small Tools/Equipment	2,487	0	0	0	0	.0
5334. Motor Fuels, Oils & Lub.	47	0	0	0	0	.0
5399. Other Commodities	235	0	0	0	0	.0
Total Commodities	21,253	21,090	21,090	21,090	0	.0
Other Charges						
5410. Insurance	1,067	1,220	1,220	2,665	1,445	118.4
Total Other Charges	1,067	1,220	1,220	2,665	1,445	118.4
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	90,965	88,416	85,285	87,151	1,265-	1.4-
Reduction of Costs						
5610. Recovered from Users	55-	0	0	0	0	.0
Total Reduction of Costs	55-	0	0	0	0	.0
TOTAL NET EXPENDITURES	90,910	88,416	85,285	87,151	1,265-	1.4-

CITY OF OAK RIDGE			
FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Fire	Fire Specialists	925

ACTIVITY DESCRIPTION

Fire Specialists are off-duty Fire Fighters or well-trained City employees who, upon receiving notice of an alarm, respond directly to the scene of a structural fire in order to supplement on duty Fire Fighters arriving from the fire stations. Fire Specialists are on call on a regularly scheduled basis and are equipped with a radio pager, fire fighting gear, and a City vehicle. They are compensated for this service by receiving a monthly supplement in addition to their regular City paycheck.

PERFORMANCE OBJECTIVES

1. 100% response of Specialists to all structural fires.
2. Conduct a minimum of six hours training per month for each Specialist employed by other City departments.

PROGRAM COMMENTS

Fire Specialists are compensated at both a standby rate, which is fixed annually, and a per-call rate. Job classification, pay step and uniform rank determine the per-call rate. In order to comply with Fair Labor Standards Act (FLSA), all nonexempt City employees performing as Fire Specialists are compensated at the overtime rate associated with their regular job when those hours are served in addition to their basic workweek.

The Personal Services total represents the average overtime rate for those employees currently enrolled in the program that are in pay classifications 1 through 9, using a minimum of four responses daily as basic compensation in place of standby pay.

The Fire Specialist Program remains cost effective in that the cost of providing fire suppression services through the more traditional method of adding personnel to the on-duty strength of fire units would cost approximately \$338,000 rather than \$152,000 annually. This would result in the addition of four Fire Fighters (a number equal to the number of Fire Specialists on-duty each day of the year) to each of the department's three duty shifts, for a total of twelve fire fighters.

SIGNIFICANT EXPENDITURES

Contractual Services increased \$1,000 for Vehicle/Equipment use charges based on current equipment maintenance requirements. Liability Insurance costs increased by \$650 due to higher premiums which mirrors a nationwide industry trend.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
925 Fire Specialists

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	65,537	64,220	62,000	65,150	930	1.4
5131. Regular Overtime Pay	39,523	39,000	40,000	40,000	1,000	2.6
5141. Social Security	7,933	7,900	7,803	8,044	144	1.8
5150. Retirement	10,836	9,145	9,145	10,778	1,633	17.9
Total Personal Services	123,829	120,265	118,948	123,972	3,707	3.1
Contractual Services						
5210. Prof. & Contractual Ser.	0	1,875	1,875	1,875	0	.0
5235. Routine Rep. & Maint.	137	0	0	0	0	.0
5289. Equipment Use Charge	25,257	23,880	23,880	24,880	1,000	4.2
Total Contractual Services	25,394	25,755	25,755	26,755	1,000	3.9
Commodities						
5310. Supplies	0	420	420	420	0	.0
5325. Uniforms/Safety Equip.	0	2,810	2,810	2,810	0	.0
Total Commodities	0	3,230	3,230	3,230	0	.0
Other Charges						
5410. Insurance	1,920	2,350	2,350	3,000	650	27.7
Total Other Charges	1,920	2,350	2,350	3,000	650	27.7
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	151,143	151,600	150,283	156,957	5,357	3.5
Reduction of Costs						
Total Reduction of Costs	0	0	0	0	0	.0
TOTAL NET EXPENDITURES	151,143	151,600	150,283	156,957	5,357	3.5





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Public Works

PUBLIC WORKS DEPARTMENT

The Public Works Department is responsible for maintaining City-owned streets and rights-of-way, water and wastewater treatment plants, water distribution system, wastewater collection system, City and School vehicles and equipment, City-owned buildings and Solid Waste contractual services for residential refuse collection.

The Department consists of 87 employees and five divisions including Supervision/Administration, Engineering, Wastewater Treatment, Water Treatment, Equipment and Fleet Maintenance, and Work Pool. The activities and functions performed by the Department are included in the General Fund, Waterworks Fund, State Street Aid Fund, Equipment Replacement Rental Fund and Solid Waste Fund. The Department serves as the City staff representative to the Traffic Safety Advisory Board and also prepares and administers the Solid Waste Collection Contract.

The Engineering Division consists of 4 employees and is responsible for reviewing all sub-division and development plans proposed for construction within the city. This division is also responsible for performing site inspections to verify that utilities and roadways proposed for dedication to the City are properly installed or constructed to City specifications. Employees of this division are also responsible for revising and updating as-built plans and maps of the water, wastewater and storm drainage systems.

The Equipment and Fleet Maintenance Division of Public Works is composed of 8 employees and is responsible for maintaining the City's entire fleet of vehicles and equipment which includes 64 sedans, 69 pickup trucks, 66 heavy duty trucks, 39 school buses, and approximately 129 pieces of various light and heavy equipment.

The Work Pool Division consists of 44 employees assigned to one of several primary work crews responsible for Water Distribution System Maintenance; Wastewater Collection System Maintenance and Rehabilitation; Water and Wastewater Treatment Plant Maintenance; Roads, Streets and Drainage Maintenance; and Buildings and Facilities Maintenance. Employee crew assignments are flexible in order to allow for shifting of workers to various crews as necessary to satisfy large project demands or deadlines. The Work Pool is responsible for maintaining all City-owned buildings, including the Municipal Building and Central Service Center Complex along with other City facilities upon departmental requests. Maintenance of the water distribution and wastewater collection systems performed by the Work Pool Division involves maintaining approximately 222 miles of water main piping, 240 miles of wastewater collection mains, 2,489 fire hydrants, 4,600 main valves, 9,040 service laterals, 12,199 water meters, four elevated water storage tanks, two in-ground reservoirs, 11 water pumping stations, 2,470 manholes and 76 main pressure reducing valves.

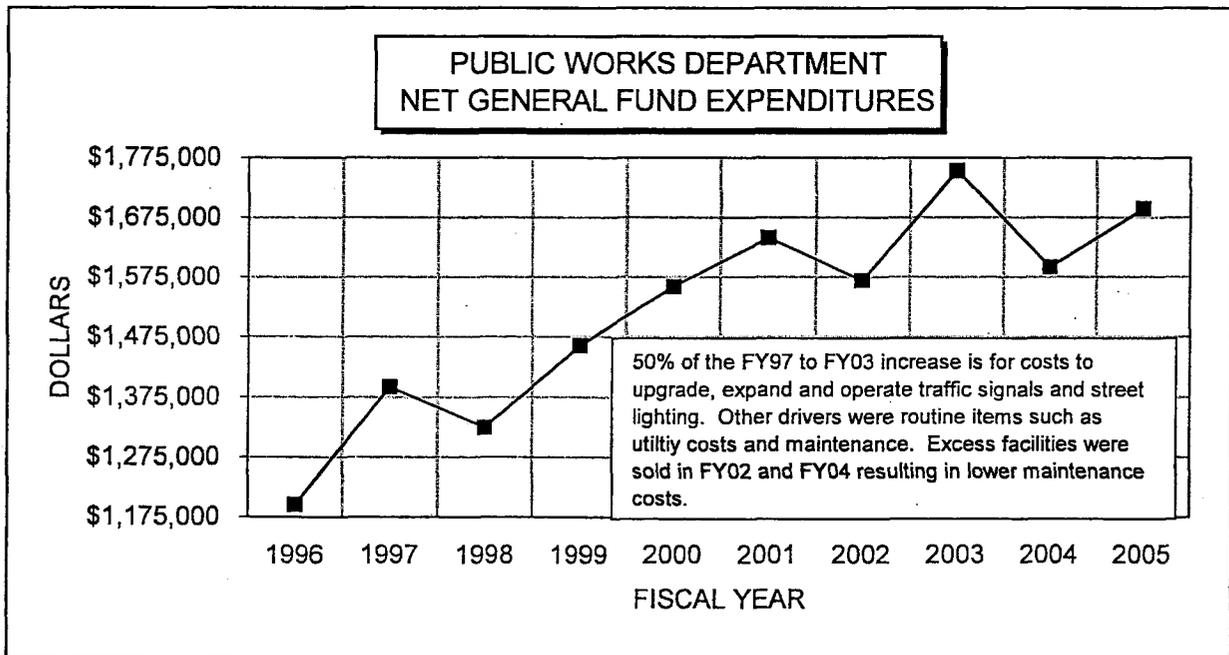
The Public Works Department operates the water treatment plant with a staff of 11 and two wastewater treatment facilities with a staff of 16. The main 6.0 MGD wastewater treatment plant serves most of the city and one small treatment plant that serves the Clinch River Industrial Park.

The Department is also responsible for maintaining approximately 226 miles of streets and 100 miles of sidewalk, including mowing on street rights-of-ways, maintaining flow of storm drainage ditches, providing an annual leaf pick-up program and an annual brush and rubbish pick-up program.

PUBLIC WORKS DEPARTMENT	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% Change
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GENERAL FUND

930 Supervision	92,929	81,156	69,269	79,818	(1,338)	-1.6
935 Engineering	137,195	146,744	129,741	157,768	11,024	7.5
942 State Highway Maintenance	82,770	55,509	53,959	55,809	300	0.5
943 General Maintenance	355,221	205,960	202,630	205,920	(40)	0.0
946 Central Service Center	94,513	99,305	98,101	105,140	5,835	5.9
948 Municipal Building	116,545	129,823	127,874	130,920	1,097	0.8
953 Traffic Control and Lights	874,137	911,800	910,300	954,480	42,680	4.7
Total Public Works	1,753,310	1,630,297	1,591,874	1,689,855	59,558	3.7



CITY OF OAK RIDGE

FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Public Works	Supervision	930

ACTIVITY DESCRIPTION

The Public Works Department is responsible for the maintenance of City streets, water distribution system, wastewater collection system, treatment plants, and City-owned buildings; for the construction of and improvements to these facilities; and for maintenance, service and repair of all City and School automotive vehicles, heavy equipment and stationary equipment.

The goals of this activity are to ensure the provision of an acceptable level of physical services, to provide general supervision of Public Works programs, to ensure implementation of these programs through effective and efficient management and to coordinate extraordinary maintenance improvements to the City's physical assets.

PERFORMANCE OBJECTIVES

1. Continue rehabilitation activities for reducing inflow and infiltration from entering the wastewater collection system.
2. Continue efforts toward reducing unaccounted for water with continuation of meter replacement, meter downsizing and distribution system leak detection programs.
3. Continue efforts to improve overall condition and appearance of City streets, sidewalks and right-of-ways.
4. Coordinate operation of water and wastewater treatment plants to meet all state and federal requirements.

SIGNIFICANT EXPENDITURE CHANGES

Personal Services costs declined \$4,955 related to staffing turnover.

A portion of the costs of this activity is distributed to the utility funds and the State Street Aid Fund due to involvement in the operation of these funds.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
930 Public Works Supervision

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	256,271	217,325	176,760	209,762	7,563-	3.5-
5131. Regular Overtime Pay	168	355	0	355	0	.0
5141. Social Security	19,166	16,653	13,549	16,074	579-	3.5-
5150. Retirement	23,355	19,286	19,286	21,537	2,251	11.7
5160. Medical & Workers Comp	28,437	29,908	29,908	30,844	936	3.1
Total Personal Services	327,397	283,527	239,503	278,572	4,955-	1.7-
Contractual Services						
5201. Rents	0	64	64	64	0	.0
5207. Dues, Memberships & Sub.	1,069	750	750	750	0	.0
5212. Utility Services	3,084	2,560	2,560	2,560	0	.0
5220. Travel, Schools, & Conf.	3,806	4,000	4,000	4,000	0	.0
5236.13 Other Equipment Maint.	1,725	1,725	1,725	1,725	0	.0
5289. Equipment Use Charge	4,948	5,500	5,500	5,500	0	.0
Total Contractual Services	14,632	14,599	14,599	14,599	0	.0
Commodities						
5310. Supplies	2,020	2,100	2,100	2,100	0	.0
5320. Books/Education Material	131	200	200	200	0	.0
5325. Uniforms/Safety Equip.	0	150	150	150	0	.0
Total Commodities	2,151	2,450	2,450	2,450	0	.0
Other Charges						
Total Other Charges	0	0	0	0	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	344,180	300,576	256,552	295,621	4,955-	1.6-
Reduction of Costs						
5670. Recovered from Funds	251,251-	219,420-	187,283-	215,803-	3,617	1.6-
Total Reduction of Costs	251,251-	219,420-	187,283-	215,803-	3,617	1.6-
TOTAL NET EXPENDITURES	92,929	81,156	69,269	79,818	1,338-	1.6-

CITY OF OAK RIDGE			
FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Public Works	Engineering	935

ACTIVITY DESCRIPTION

The Engineering activity oversees the design and construction of various municipal infrastructure and utility improvements within the City. These include capital projects initiated by the City and portions of projects built for City ownership by private developers. The activity provides three major services: (1) Design - including surveying, preparing and/or reviewing construction plans and specifications, estimating costs, monitoring City construction contracts and updating maps and records; (2) Development Review - reviewing preliminary and final subdivision plats, inspecting water, sewer, street and drainage construction within private developments and reviewing construction plans for commercial/industrial projects; and (3) Traffic Engineering - conducting traffic counts and analyzing the performance of the traffic circulation system, conducting and reviewing traffic impact studies and recommending improvements to signals and streets.

The goal is to obtain infrastructure and utility improvements into City ownership, which meet established engineering standards and code requirements and serve the community effectively, efficiently and safely.

PERFORMANCE OBJECTIVES

1. Inspect all projects in a timely manner in order to insure proper construction.
2. Respond to the development review process to ensure quality infrastructure improvements while minimizing time delays for the developer.
3. Complete the review of subdivision plans within one week.
4. Complete the review of plans for issuance of commercial/industrial grading permits within one week.
5. Complete approximately 8 percent of Lamar Dunn drawings for updated information on subdivision, As-Built water, sewer, and storm drainage sheets.
6. Complete roadway and intersection analysis and respond within eight weeks.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Daily inspection of major construction	95%	95%	95%	95%
Weekly inspection of projects during minor Construction	95%	95%	95%	95%
Project plans reviewed within one week	90%	90%	90%	90%
Subdivision plans reviewed within one week	90%	90%	90%	90%
Percent Completion of Lamar Dunn drawings	8%	2%	2%	2%
Traffic analysis within eight weeks	80%	80%	80%	80%

SIGNIFICANT EXPENDITURE CHANGES

Contractual Services increased \$1,830 for Vehicle/Equipment use charges based on current equipment maintenance requirements. Liability Insurance costs increased by \$650 due to higher premiums which mirrors a nationwide industry trend.

A portion of the costs of this activity is distributed to the State Street Aid Fund and the utility funds due to the involvement in the operations of these funds.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
935 Engineering

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	187,822	194,851	165,762	208,327	13,476	6.9
5131. Regular Overtime Pay	0	2,500	0	2,500	0	.0
5141. Social Security	14,145	15,097	12,681	16,128	1,031	6.8
5150. Retirement	17,784	17,485	17,485	21,610	4,125	23.6
5160. Medical & Workers Comp	25,229	28,295	28,295	29,231	936	3.3
Total Personal Services	244,980	258,228	224,223	277,796	19,568	7.6
Contractual Services						
5205. Printing & Dup. Charges	192	275	275	275	0	.0
5206. Mailing & Delivery	0	150	150	150	0	.0
5207. Dues, Memberships & Sub.	1,177	880	880	880	0	.0
5210. Prof. & Contractual Ser.	2,765	6,500	6,500	6,500	0	.0
5211. Advertising & Publicity	0	250	250	250	0	.0
5212. Utility Services	3,278	3,360	3,360	3,360	0	.0
5220. Travel, Schools, & Conf.	1,171	2,500	2,500	2,500	0	.0
5235. Routine Rep. & Maint.	42	230	230	230	0	.0
5236.13 Other Equipment Maint.	1,380	1,380	1,380	1,380	0	.0
5289. Equipment Use Charge	14,033	13,555	13,555	15,385	1,830	13.5
Total Contractual Services	24,038	29,080	29,080	30,910	1,830	6.3
Commodities						
5310. Supplies	3,312	3,380	3,380	3,380	0	.0
5325. Uniforms/Safety Equip.	139	450	450	450	0	.0
Total Commodities	3,451	3,830	3,830	3,830	0	.0
Other Charges						
5410. Insurance	1,920	2,350	2,350	3,000	650	27.7
Total Other Charges	1,920	2,350	2,350	3,000	650	27.7
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	274,389	293,488	259,483	315,536	22,048	7.5
Reduction of Costs						
5670. Recovered from Funds	137,195-	146,744-	129,742-	157,768-	11,024-	7.5
Total Reduction of Costs	137,195-	146,744-	129,742-	157,768-	11,024-	7.5
TOTAL NET EXPENDITURES	137,194	146,744	129,741	157,768	11,024	7.5

CITY OF OAK RIDGE

FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Public Works	State Highway Maintenance	942

ACTIVITY DESCRIPTION

This activity accounts for the maintenance of those portions of State Highway 62 (Illinois Avenue) and Highway 170 (Edgemoor Road) located within the city limits of Oak Ridge, and Highway 95 (Oak Ridge Turnpike) from the 95/61 split to the end of Wisconsin Ave.

The Tennessee Department of Transportation has a \$123,280 contract with the City of Oak Ridge for repairing the pavement, painting center and edge lines, street sweeping, snow and ice removal, and mowing median strips of State Highways. The State reimburses the City based on actual expenditures for maintaining state highways, within set maximum reimbursement amounts for each type of maintenance covered by the contract. The additional cost for rights-of-way mowing of these routes, which is not covered by the contract, is also budgeted in this activity.

If weather permits, State highways are swept by mechanical sweepers at least five times per year. Mowing of median strips and rights-of-way in the center of town is performed six times per year between March 15 and November 15. During the mowing season, the mowing contractor is responsible for litter pickup as the right-of-way is mowed. During the balance of the year, litter pickup is performed by a contractor on a monthly basis.

PERFORMANCE OBJECTIVES

1. Maintain 826,708 square yards of pavement at a cost of fourteen cents per square yard.
2. Mow 14.84 acres six times between March 15 and November 15.
3. Perform mechanical sweeping of state highways.
4. Litter pick-up on 3.39 miles of roadway twelve times per year.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
State Highways 62, 95 and 170:				
Square yards	826,708	826,708	826,708	826,708
Maintenance (hours)	838	1,000	1,000	1,000
Mowing R-O-W's (acres)	14.84	14.84	14.84	14.84

SIGNIFICANT EXPENDITURE CHANGES

Budgeted Contractual Services increased \$580, primarily for mowing services. Mowing, paving and street sweeping are performed by outside contractors. \$11,720 in funding for contracted paving was reclassified from routine repairs and maintenance to contracted services.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
942 State Highway Maintenance

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
Total Personal Services	0	0	0	0	0	.0
Contractual Services						
5210. Prof. & Contractual Ser.	0	0	12,000	12,000	12,000	.0
5210.203 Mowing Contract	58,711	63,050	61,500	63,350	300	.5
5235. Routine Rep. & Maint.	147,338	115,459	103,459	103,739	11,720-	10.2-
Total Contractual Services	206,049	178,509	176,959	179,089	580	.3
Commodities						
Total Commodities	0	0	0	0	0	.0
Other Charges						
Total Other Charges	0	0	0	0	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	206,049	178,509	176,959	179,089	580	.3
Reduction of Costs						
5610. Recovered from Users	0	123,000-	123,000-	123,280-	280-	.2
5670. Recovered from Funds	123,280-	0	0	0	0	.0
Total Reduction of Costs	123,280-	123,000-	123,000-	123,280-	280-	.2
TOTAL NET EXPENDITURES	82,769	55,509	53,959	55,809	300	.5

CITY OF OAK RIDGE			
FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Public Works	General Maintenance	943

ACTIVITY DESCRIPTION

This activity provides for maintenance of the following functions: storm drainage ditches; street cleaning; litter removal; mowing of street rights-of-way and other areas; city-wide cleanup; cemetery maintenance; and miscellaneous building maintenance.

In addition to cleaning City streets, the City-owned Jackson Square and Grove Center parking lots are also maintained in order to present a neat and orderly appearance. Litter removal is performed by a private contractor for the months of November through March, with City crews providing assistance as required. Mowing includes 162 acres of street rights-of-way and other small parcels. Cemetery maintenance is provided to ten small cemeteries located throughout the City.

Formerly cared for by the Atomic Energy Commission, the cemeteries were transferred to the City upon incorporation. Minor building maintenance is performed on the Marina and the old Fire Alarm Building, which houses the Anderson County Ambulance Service.

PERFORMANCE OBJECTIVES

1. Maintain 12.4 miles of storm drains without a major flooding incident attributable to maintenance.
2. Perform 210 miles of sweeping on City Streets.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Storm drains – miles	12.4	12.4	12.4	12.4
Maintenance – hours	4,250	2,400	2,400	2,400

SIGNIFICANT EXPENDITURE CHANGES

There are no significant expenditure changes for this activity in fiscal 2005.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
943 General Maintenance

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
Total Personal Services	0	0	0	0	0	.0
Contractual Services						
5210. Prof. & Contractual Ser.	500	0	0	0	0	.0
5210.203 Mowing Contract	91,847	96,790	93,700	96,510	280-	.3-
5210.205 Litter Contract	12,655	12,850	12,850	13,240	390	3.0
5212. Utility Services	4,842	5,870	5,630	5,710	160-	2.7-
5235. Routine Rep. & Maint.	242,563	87,310	87,310	87,310	0	.0
5262. Nonroutine Rep. & Maint.	0	3,000	3,000	3,000	0	.0
Total Contractual Services	352,407	205,820	202,490	205,770	50-	.0
Commodities						
5310. Supplies	2,775	0	0	0	0	.0
5334. Motor Fuels, Oils & Lub.	0	100	100	100	0	.0
Total Commodities	2,775	100	100	100	0	.0
Other Charges						
5410. Insurance	38	40	40	50	10	25.0
Total Other Charges	38	40	40	50	10	25.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	355,220	205,960	202,630	205,920	40-	.0
Reduction of Costs						
Total Reduction of Costs	0	0	0	0	0	.0
TOTAL NET EXPENDITURES	355,220	205,960	202,630	205,920	40-	.0

CITY OF OAK RIDGE

FUND General	DEPARTMENT Public Works	ACTIVITY Central Service Complex	NUMBER 946
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ACTIVITY DESCRIPTION

This activity includes maintenance and operation of the Central Services Center Complex located at 100 Woodbury Lane. The Complex houses Public Works Supervision, Equipment Shop, Work Pool, Parks activities, Electrical Department, Finance and the Schools' maintenance shop and bus dispatching office.

PERFORMANCE OBJECTIVES

Maintain and operate 177,000 square feet of building space at a cost of \$2.48 per square-foot.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Square feet maintained	177,000	177,000	177,000	177,000
Cost per square-foot	\$2.20	\$2.34	\$2.31	\$2.48

SIGNIFICANT EXPENDITURE CHANGES

Contractual Services increased a net \$12,582 or 3.2%. Contracted custodial services costs increased \$1,503. Routine repair costs increased \$12,774 or 11% due to electrical maintenance required as the building begins to age. Liability Insurance costs increased by \$11,725 due to higher premiums, which mirrors a nationwide industry trend.

A portion of the costs of this activity is distributed to the utility funds and the State Street Aid Fund due to involvement in the operations of these funds.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
946 Central Service Center

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
Total Personal Services	0	0	0	0	0	.0
Contractual Services						
5201. Rents	5,509	5,300	5,300	5,300	0	.0
5210. Prof. & Contractual Ser.	1,227	5,000	5,000	5,000	0	.0
5210.202 Custodial Contract	41,350	40,207	40,107	41,710	1,503	3.7
5210.203 Mowing Contract	3,540	3,780	3,700	3,810	30	.8
5212. Utility Services	200,267	225,355	220,430	223,630	1,725-	.8-
5235. Routine Rep. & Maint.	117,111	116,546	116,626	129,320	12,774	11.0
5236.13 Other Equipment Maint.	2,200	2,200	2,200	2,200	0	.0
5262. Nonroutine Rep. & Maint.	103	1,000	1,000	1,000	0	.0
Total Contractual Services	371,307	399,388	394,363	411,970	12,582	3.2
Commodities						
5310. Supplies	7,236	2,000	2,000	2,000	0	.0
Total Commodities	7,236	2,000	2,000	2,000	0	.0
Other Charges						
5410. Insurance	10,682	12,390	12,390	24,115	11,725	94.6
Total Other Charges	10,682	12,390	12,390	24,115	11,725	94.6
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	389,225	413,778	408,753	438,085	24,307	5.9
Reduction of Costs						
5670. Recovered from Funds	294,712-	314,473-	310,652-	332,945-	18,472-	5.9
Total Reduction of Costs	294,712-	314,473-	310,652-	332,945-	18,472-	5.9
TOTAL NET EXPENDITURES	94,513	99,305	98,101	105,140	5,835	5.9

CITY OF OAK RIDGE			
FUND General	DEPARTMENT Public Works	ACTIVITY Municipal Building	NUMBER 948

ACTIVITY DESCRIPTION

This activity includes expenses involved in the operation of the Municipal Building such as utilities, custodial services, motor pool, maintenance of the heating and air conditioning system, plumbing and electrical repairs and other building maintenance.

The operation of a three-car motor pool is also included in the cost of this activity. The motor pool is used by various offices in the building which do not have vehicles permanently assigned to them.

PERFORMANCE OBJECTIVES

Maintain 35,652 square feet of building space at a cost of \$5.40 per square-foot.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Building maintenance, cost per square-foot	\$4.77	\$5.35	\$5.27	\$5.40

SIGNIFICANT EXPENDITURE CHANGES

Contractual Services remained within a .3% of FY 2004 levels. The increase in liability insurance of \$2,255 is due to higher premiums, which mirrors a nationwide industry trend.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
948 Municipal Building

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
Total Personal Services	0	0	0	0	0	.0
Contractual Services						
5210. Prof. & Contractual Ser.	777	1,685	1,685	1,685	0	.0
5210.202 Custodial Contract	34,949	34,734	33,350	34,680	54-	.2-
5210.203 Mowing Contract	3,437	3,670	3,600	3,710	40	1.1
5212. Utility Services	64,212	72,805	71,420	72,980	175	.2
5235. Routine Rep. & Maint.	44,384	71,200	71,175	71,200	0	.0
5289. Equipment Use Charge	2,702	2,800	2,800	2,000	800-	28.6-
Total Contractual Services	150,461	186,894	184,030	186,255	639-	.3-
Commodities						
5310. Supplies	15,891	200	200	200	0	.0
Total Commodities	15,891	200	200	200	0	.0
Other Charges						
5410. Insurance	3,199	3,820	3,820	6,075	2,255	59.0
Total Other Charges	3,199	3,820	3,820	6,075	2,255	59.0
Capital Expenditures						
5520. Buildings & Structures	656	0	0	0	0	.0
Total Capital Expenditures	656	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	170,207	190,914	188,050	192,530	1,616	.8
Reduction of Costs						
5670. Recovered from Funds	53,662-	61,091-	60,176-	61,610-	519-	.8
Total Reduction of Costs	53,662-	61,091-	60,176-	61,610-	519-	.8
TOTAL NET EXPENDITURES	116,545	129,823	127,874	130,920	1,097	.8

CITY OF OAK RIDGE			
FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Public Works	Traffic Control and Lights	953

ACTIVITY DESCRIPTION

This activity includes traffic control maintenance, the cost of traffic control signals and painting of crosswalks on City streets. The proper lighting of City streets, sidewalks and public parking areas is also included in this activity. Adequate lighting will increase traffic and pedestrian safety, reduce crime and vagrancy and promote business and commercial activities.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Street Name Signs: Hours for maintenance and installation	394	400	400	400
Traffic control and School Flashing Signals: Inventory – each	371	390	390	390
Hours for maintenance and installation	2,278	3,000	2,550	3,000
Street Lights, Public Inventory –each	5,397	5,400	5,400	5,400
Hours for maintenance and installation	2,250	2,500	1,550	2,500

PROGRAM COMMENTS

The automated traffic control equipment and the street lighting system are installed and maintained by the Electric Department. The General Fund pays an annual investment charge (13%) for the maintenance and amortization of these fixtures, a charge for energy usage and the actual cost of materials to replace lamps and glassware. The investment charge is an annual charge paid by the General Fund to the Electric Fund for use of the traffic control equipment and the street lighting system. An assessment by TVA in 1986 established the investment rate at 13 percent of the plant value of the traffic control and street lighting systems. For the beginning of fiscal 2004, the plant value of the street lighting system is \$3,138,869 and the book value of the traffic control system is estimated to be \$1,958,420.

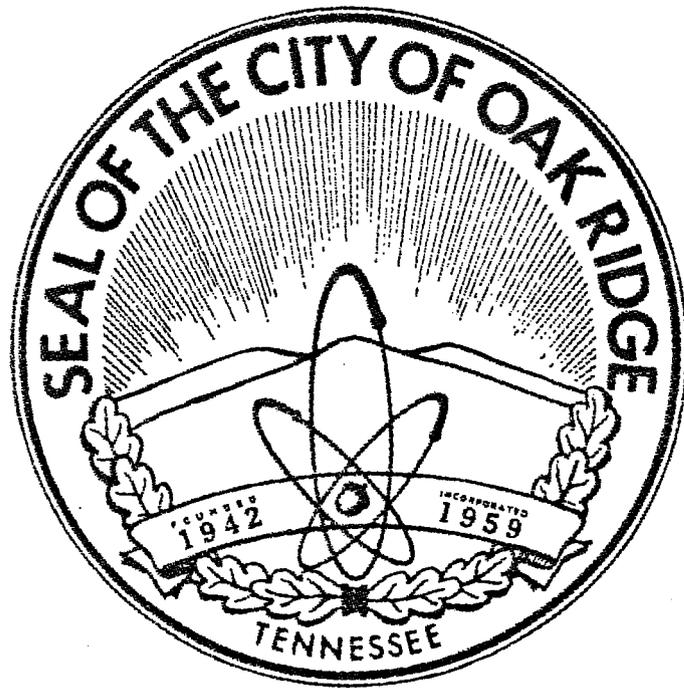
SIGNIFICANT EXPENDITURE CHANGES

Contractual Services for electricity and related costs are projected to increase a net \$42,680 or 4.7%, primarily due to the 7.4% TVA electric rate increase effective October 1, 2003. Maintenance costs are budgeted to remain at FY 2004 levels.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
953 Traffic Control & Lights

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
Total Personal Services	0	0	0	0	0	.0
Contractual Services						
5210. Prof. & Contractual Ser.	1,378	0	0	0	0	.0
5212. Utility Services	851,385	891,500	890,000	934,180	42,680	4.8
5235. Routine Rep. & Maint.	21,374	20,300	20,300	20,300	0	.0
Total Contractual Services	874,137	911,800	910,300	954,480	42,680	4.7
Commodities						
Total Commodities	0	0	0	0	0	.0
Other Charges						
Total Other Charges	0	0	0	0	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	874,137	911,800	910,300	954,480	42,680	4.7
Reduction of Costs						
Total Reduction of Costs	0	0	0	0	0	.0
TOTAL NET EXPENDITURES	874,137	911,800	910,300	954,480	42,680	4.7





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ridge



Community Development

COMMUNITY DEVELOPMENT DEPARTMENT

The Community Development Department strives to promote orderly physical growth within the City, while at the same time protecting Oak Ridge's quality lifestyle by facilitating development sensitive to aesthetics and the environment. The Department is responsible for coordinating the City's planning and code enforcement functions.

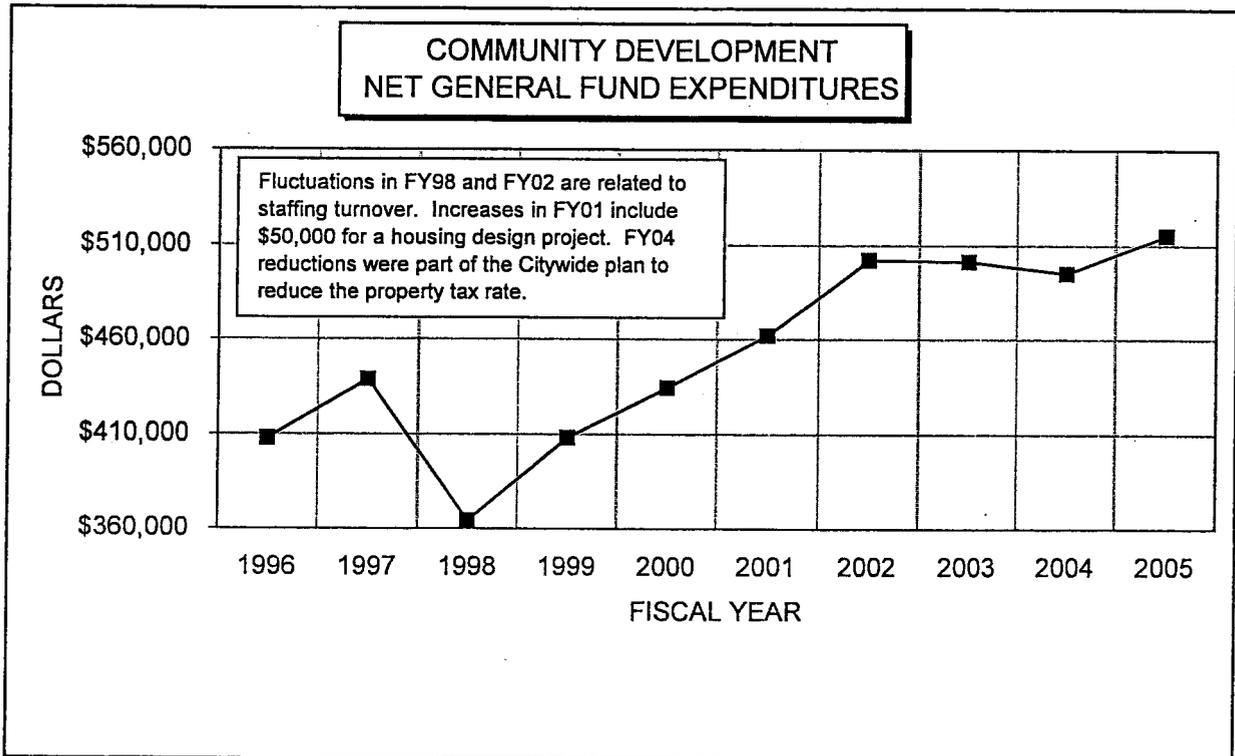
The Department staff consists of 11 employees who also provide support to the following boards and commissions: Oak Ridge Regional Planning Commission, the Environmental Quality Advisory Board, Board of Zoning Appeals, Board of Building and Housing Code Appeals, the Boards of Electrical and Plumbing Examiners, and Greenways Oak Ridge.

The Department is continuing its work with the Housing Design Project and other strategies to create opportunities for enhancement of housing in Oak Ridge. The Housing Design Project included hiring a consultant to develop 30 permit-ready floor plan options for 10 of the World War II proto-type housing units in Oak Ridge. The City provides these renovation plans free of charge to anyone interested in improving the older housing types. The City will waive certain fees as part of this program and area lenders are offering products that buyers can use to finance purchase and renovation of these homes. Approximately 270 people have picked up 700 sets of plans since the beginning of the program.

COMMUNITY DEVELOPMENT	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHANGE
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GENERAL FUND

960 Supervision	104,856	108,722	108,832	112,892	4,170	3.8
962 Planning	111,120	90,872	91,016	94,390	3,518	3.9
966 Office of Neighborhood Improvement	<u>285,446</u>	<u>297,053</u>	<u>295,381</u>	<u>307,808</u>	<u>10,755</u>	<u>3.6</u>
Total Community Development	<u>501,422</u>	<u>496,647</u>	<u>495,229</u>	<u>515,090</u>	<u>18,443</u>	<u>3.7</u>



CITY OF OAK RIDGE			
FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Community Development	Supervision	960

ACTIVITY DESCRIPTION

The Community Development Department, under the supervision of the Departmental Director, includes the divisions of Planning and Office of Neighborhood Improvement. The Department consolidates the planning and building code portions of development in order to improve service delivery coordination. The growth and complexity of development in Oak Ridge requires a more consolidated and better coordinated staffing arrangement. This is accomplished through a Business Development Facilitator who helps the applicant for a new development guide his project through the permitting process.

The objective of the Community Development Department is to effectively coordinate and improve the municipal government's initiatives and responses toward development in Oak Ridge. The basis to encourage quality growth and development is through implementation of the Comprehensive Plan and the Capital Improvement Program.

PERFORMANCE OBJECTIVES

1. Maintains regular communications with department heads and staff to coordinate workflow among departments. Hold weekly site plan review meetings with 4 Departments on pending applications.
2. Assist and advise the City Manager promptly in carrying out City planning goals, particularly with regards to special projects and developing solutions to issues raised by City Council.
3. Reference the Comprehensive Plan regularly in making zoning, subdivision and site review decisions to provide consistency toward more quality growth and development.
4. Insure the responses to applicants and citizens are carried out in a courteous manner.
5. Continually cultivate and nurture a positive relationship with the private sector to encourage new growth that will be an asset to the community.

SIGNIFICANT EXPENDITURE CHANGES

There were no significant expenditures changes for this activity for fiscal 2005.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operation of these funds.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
960 Community Development

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	125,655	127,302	127,478	131,286	3,984	3.1
5131. Regular Overtime Pay	1,004	1,390	1,390	1,390	0	.0
5141. Social Security	9,281	9,845	9,858	10,150	305	3.1
5150. Retirement	11,505	11,402	11,402	13,599	2,197	19.3
5160. Medical & Workers Comp	18,769	21,113	21,113	21,815	702	3.3
Total Personal Services	166,214	171,052	171,241	178,240	7,188	4.2
Contractual Services						
5201. Rents	2,254	3,600	3,600	3,600	0	.0
5207. Dues, Memberships & Sub.	170	365	365	365	0	.0
5210. Prof. & Contractual Ser.	0	500	500	500	0	.0
5212. Utility Services	3,301	3,800	3,800	3,800	0	.0
5220. Travel, Schools, & Conf.	2,702	2,531	2,531	2,531	0	.0
5235. Routine Rep. & Maint.	52	0	0	0	0	.0
5236.13 Other Equipment Maint.	1,035	1,035	1,035	1,035	0	.0
5289. Equipment Use Charge	2,456	2,460	2,460	2,460	0	.0
Total Contractual Services	11,970	14,291	14,291	14,291	0	.0
Commodities						
5310. Supplies	2,603	2,110	2,110	2,110	0	.0
Total Commodities	2,603	2,110	2,110	2,110	0	.0
Other Charges						
Total Other Charges	0	0	0	0	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	180,787	187,453	187,642	194,641	7,188	3.8
Reduction of Costs						
5670. Recovered from Funds	75,930-	78,731-	78,810-	81,749-	3,018-	3.8
Total Reduction of Costs	75,930-	78,731-	78,810-	81,749-	3,018-	3.8
TOTAL NET EXPENDITURES	104,857	108,722	108,832	112,892	4,170	3.8

CITY OF OAK RIDGE			
FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Community Development	Planning	962

ACTIVITY DESCRIPTION

The Planning Division is responsible for reviewing subdivision plats, rezoning requests, site plans and planned unit developments with the Planning Commission and other City Departments. Advance planning includes review and updating of regulations and procedures that affect development (zoning, subdivision regulations and others), helping to develop programs to achieve objectives of the Comprehensive Plan, assessing the impact of new proposals relative to those objectives and periodically reviewing the Plan itself. The division analyzes and makes recommendations regarding internal traffic designs, land development needs, annexation service studies and related matters. Information related to development of the community is shared with citizens, developers, investors and other local governments.

PERFORMANCE OBJECTIVES

1. Administer Subdivision Regulations and the Zoning Ordinance within new commercial developments and maintain quality standards within existing commercial areas.
2. Work to insure the health, safety and welfare of all residents in new and existing neighborhoods.
3. Respond to appointed and elected officials as well as residents to establish guidelines which create a livable community.

SIGNIFICANT EXPENDITURE CHANGES

There were no significant expenditures changes for this activity for fiscal 2005.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operations of these funds.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
962 Planning Office

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	118,931	95,187	95,394	98,251	3,064	3.2
5131. Regular Overtime Pay	782	780	780	780	0	.0
5141. Social Security	8,962	7,342	7,357	7,576	234	3.2
5150. Retirement	11,330	8,503	8,503	10,151	1,648	19.4
5160. Medical & Workers Comp	18,726	14,134	14,134	14,602	468	3.3
Total Personal Services	158,731	125,946	126,168	131,360	5,414	4.3
Contractual Services						
5205. Printing & Dup. Charges	52	500	500	500	0	.0
5206. Mailing & Delivery	0	60	60	60	0	.0
5207. Dues, Memberships & Sub.	2,726	1,322	1,322	1,322	0	.0
5210. Prof. & Contractual Ser.	163	0	0	0	0	.0
5211. Advertising & Publicity	607	730	730	730	0	.0
5212. Utility Services	1,347	1,700	1,700	1,700	0	.0
5220. Travel, Schools, & Conf.	2,174	2,425	2,425	2,425	0	.0
5236.13 Other Equipment Maint.	2,330	2,330	2,330	2,328	2-	.1-
Total Contractual Services	9,399	9,067	9,067	9,065	2-	.0
Commodities						
5310. Supplies	2,823	4,340	4,340	4,340	0	.0
5320. Books/Education Material	0	450	450	450	0	.0
Total Commodities	2,823	4,790	4,790	4,790	0	.0
Other Charges						
Total Other Charges	0	0	0	0	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	170,953	139,803	140,025	145,215	5,412	3.9
Reduction of Costs						
5670. Recovered from Funds	59,834-	48,931-	49,009-	50,825-	1,894-	3.9
Total Reduction of Costs	59,834-	48,931-	49,009-	50,825-	1,894-	3.9
TOTAL NET EXPENDITURES	111,119	90,872	91,016	94,390	3,518	3.9

CITY OF OAK RIDGE

FUND General	DEPARTMENT Community Development	ACTIVITY Office of Neighborhood Improvement	NUMBER 966
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ACTIVITY DESCRIPTION

The Office of Neighborhood Improvement is responsible for administering and enforcing all Codes and Ordinances involving the construction, repair and use of all buildings and structures within the City, including building, housing, plumbing, electrical, zoning, mechanical and environmental codes. For new construction and alterations, the City issues necessary permits, examines all plans and checks for compliance with building and zoning codes. The City also inspects properties for code compliance routinely and on a complaint basis - including abandoned vehicles, litter and weeds. The goal of this division to ensure the health and safety of the citizens in their residences, as well as in all commercial and public buildings, and to provide assistance to citizens on building problems.

PERFORMANCE OBJECTIVES

1. Provide inspection service within 4 hours of a request for routine inspections.
2. Promote preservation of our existing neighborhoods.
3. Continue the inspector certifications program to promote in-house cross training among inspectors.
4. Provide inspection expertise in assisting homeowners with residential projects.
5. Provide staff support for business development through the site review process.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Building Permits	494	475	582	600
Inspections	452	450	531	720
Plumbing Permits	348	400	400	425
Inspections	451	500	613	610
Electrical Permits	438	400	530	600
Inspections	474	500	586	685
Zoning Investigations and Nuisance Complaints	41	125		
Nuisance Abatement	969	900	1,691	1,700
Abandoned Vehicles	112	200	416	425
Housing Inspections	86	175	48	150

SIGNIFICANT EXPENDITURE CHANGES

Budgeted funding for Contractual Services increased \$1,600; primarily for Equipment Use Charges that went up \$1,400 to fund the future replacement and actual operating costs for vehicles used by this activity. Liability Insurance costs increased by \$650 due to higher premiums which mirrors a nationwide industry trend.

A portion of the costs of this activity is distributed to the utility funds due to involvement in the operation of these funds.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
966 Office of Neighborhood Improv

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	235,765	230,695	235,846	242,906	12,211	5.3
5131. Regular Overtime Pay	374	7,800	600	1,000	6,800-	87.2-
5141. Social Security	17,563	18,243	18,088	18,659	416	2.3
5150. Retirement	21,676	21,130	21,130	25,000	3,870	18.3
5160. Medical & Workers Comp	32,042	35,316	35,316	36,486	1,170	3.3
Total Personal Services	307,420	313,184	310,980	324,051	10,867	3.5
Contractual Services						
5205. Printing & Dup. Charges	898	600	600	600	0	.0
5206. Mailing & Delivery	0	200	200	200	0	.0
5207. Dues, Memberships & Sub.	455	480	480	480	0	.0
5210. Prof. & Contractual Ser.	1,645	16,000	16,000	16,000	0	.0
5211. Advertising & Publicity	1,206	1,300	1,300	1,300	0	.0
5212. Utility Services	4,009	4,600	4,600	4,600	0	.0
5220. Travel, Schools, & Conf.	4,949	5,052	5,052	5,052	0	.0
5235. Routine Rep. & Maint.	745	8,020	8,185	8,220	200	2.5
5236.13 Other Equipment Maint.	2,070	2,070	2,070	2,070	0	.0
5289. Equipment Use Charge	9,161	8,770	8,770	10,170	1,400	16.0
Total Contractual Services	25,138	47,092	47,257	48,692	1,600	3.4
Commodities						
5310. Supplies	2,270	1,240	1,240	1,240	0	.0
5320. Books/Education Material	1,222	6,000	6,000	6,000	0	.0
5325. Uniforms/Safety Equip.	759	930	930	930	0	.0
5330. Small Tools/Equipment	20	0	0	0	0	.0
5350. Facilities Materials	7,844	0	0	0	0	.0
Total Commodities	12,115	8,170	8,170	8,170	0	.0
Other Charges						
5410. Insurance	1,920	2,350	2,350	3,000	650	27.7
Total Other Charges	1,920	2,350	2,350	3,000	650	27.7
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	346,593	370,796	368,757	383,913	13,117	3.5
Reduction of Costs						
5610. Recovered from Users	130-	7,000-	7,000-	7,000-	0	.0
5670. Recovered from Funds	61,016-	66,743-	66,376-	69,105-	2,362-	3.5
Total Reduction of Costs	61,146-	73,743-	73,376-	76,105-	2,362-	3.2
TOTAL NET EXPENDITURES	285,447	297,053	295,381	307,808	10,755	3.6



oak
ridge



Recreation
& Parks

RECREATION AND PARKS DEPARTMENT

The Recreation and Parks Department is responsible for planning, organizing, supervising, and conducting a comprehensive program of leisure activities and facilities for the citizens of Oak Ridge. The Department is comprised of 22 full-time and 64 part-time employees organized into the following activities: Supervision, Indoor Aquatics, Outdoor Aquatics, Centers, Camps and Programs, Athletics, Scarboro Center, Parks, and the Senior Center. Over 30 City-owned properties are maintained by the Department, including 15 parks, 14 athletic fields, 23 lighted tennis courts, three community centers, two pools (indoor and outdoor), 6 greenways and 1,200 acres of green belts.

City sponsored activities are geared to the needs of various age groups and coordinated with community organizations in an effort to reduce duplication of services. Among the recreational opportunities sponsored by the City include swimming lessons, exercise classes and softball, basketball and volleyball league play.

Other events and programs offered through the Department include an annual Easter Egg hunt for children 3 years through 4th grade in which over 10,000 eggs are hidden containing over 200 prizes provided by area businesses and an annual Halloween Carnival. Fun in the Sun is held in the Scarboro Community Center in August with games, food vendors, crafts, and music. Secret City Festival is a weekend event held each June whose mission is to foster pride and involvement in the Oak Ridge community by showcasing its diversity through cultural and athletic events and activities for people of all ages. Each summer the Department offers a Summer Camp and an Adventure Camp. Summer Camp is for children 7 to 12 with activities that include field trips, special events, games, arts & crafts, sports, swimming, snacks, hot lunches and a T-shirt. There is also a Scarboro playground program that is open to all Oak Ridge children 6 to 12. This program includes games, sports, crafts, snacks, field trips and a hot lunch program.

The Senior Center is open six days a week with services directed toward citizens 55 and older. In addition to the recreation facilities available to seniors, the City sponsors meals on wheels, blood pressure screenings, a tax assistance program, flu shot clinics, a "55 Alive" driver education course and a taxi coupon assistance program. Education programs on a variety of subjects of interest to senior adults are offered regularly and staff maintains a database of information about agencies and programs that can assist the elderly. There are also many special events such as dances, picnics, dinners, lunches and parties scheduled throughout the year.

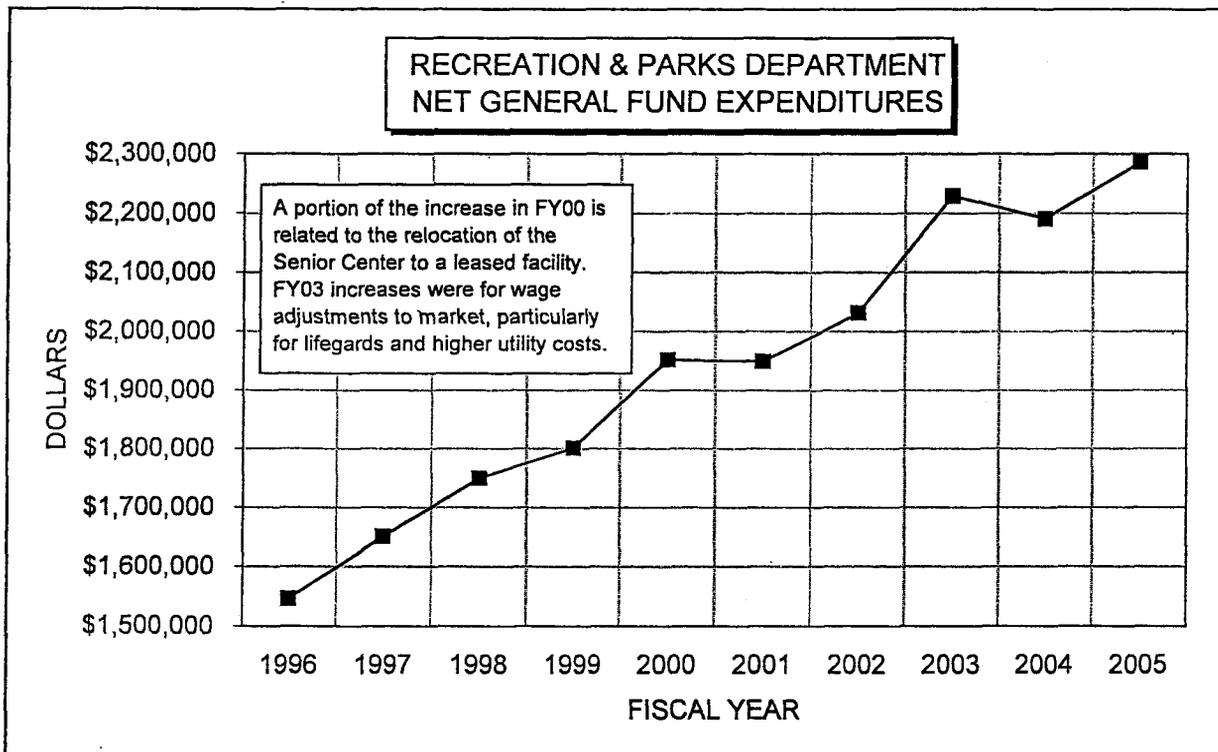
Departmental staff also supports the Youth Advisory Board, which is a sixteen member City Board that acts as a liaison between the Oak Ridge City Council and the youth of the community. The Board encourages the positive growth and development of area youth by inviting them to become involved in a wide range of programs and activities that are drug and alcohol free. The YAB sponsor three bus trips, six dances, three educational sessions and provided volunteer services for several community events. Graduation Celebration is the largest event sponsored by the YAB with assistance from the Graduation Celebration Community Foundation.

As part of a multiyear program to enhance the City rights-of-way and other open spaces, the Department continued with its tree-planting program with the City receiving Tree City USA designation for the 14th consecutive year. During fiscal 2005, the Department will oversee the construction of the Emory Valley Greenways Project.

RECREATION & PARKS DEPARTMENT	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHANGE
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GENERAL FUND

970 Supervision	246,239	245,650	243,628	251,960	6,310	2.6
972 Indoor Aquatics	149,505	180,936	162,476	180,288	(648)	-0.4
973 Outdoor Aquatics	203,571	232,708	218,047	219,010	(13,698)	-5.9
974 Centers, Camps & Programs	681,973	577,674	578,239	591,467	13,793	2.4
975 Athletics	48,994	59,659	58,754	62,699	3,040	5.1
976 Parks	681,815	612,708	597,697	620,779	8,071	1.3
977 Scarboro Center	0	108,623	94,169	113,475	4,852	100.0
978 Senior Center	216,878	239,414	237,686	246,164	6,750	2.8
Total Recreation & Parks	2,228,975	2,257,372	2,190,696	2,285,842	28,470	1.3



CITY OF OAK RIDGE

FUND General	DEPARTMENT Recreation and Parks	ACTIVITY Supervision	NUMBER 970
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ACTIVITY DESCRIPTION

Recreation and Parks Supervision is responsible for the planning, coordination and general administration of the Recreation and Parks Department. Supervision provides direction in fiscal management, planning, staffing, organizing and program evaluation procedures. Supervision is also responsible for operating a systematic and economical maintenance program for Recreation and Parks facilities. Such programs and facilities must be provided to assure all residents an opportunity to participate in a wide variety of leisure time activities. To further enhance the recreational opportunities within the community, the staff continues to assist and advise interested outside agencies.

PERFORMANCE OBJECTIVES

1. Inspect all recreation and park areas at least monthly and document necessary maintenance.
2. Establish City-wide special events that emphasize seasonal activities and programs.
3. Increase the number of participants in the Cold Facts Program by 5%.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Documented monthly inspections	12	12	12	12
City wide special events	7	7	7	7
Cold Facts Program participants	2,174	2,300	2,325	2,400

SIGNIFICANT EXPENDITURE CHANGES

Budgeted funding for Contractual Services increased by \$1,140 of which \$700 is for copier rental and \$400 for equipment use charges which funds the maintenance and future replacement of small equipment.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
970 Recreation Supervision

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	± CHG
Personal Services						
5111. Salaries-Reg. Employees	148,072	148,147	148,356	152,796	4,649	3.1
5131. Regular Overtime Pay	926	3,345	700	700	2,645-	79.1-
5141. Social Security	11,036	11,589	11,403	11,742	153	1.3
5150. Retirement	13,705	13,422	13,422	15,733	2,311	17.2
5160. Medical & Workers Comp	18,820	21,241	21,241	21,943	702	3.3
Total Personal Services	192,559	197,744	195,122	202,914	5,170	2.6
Contractual Services						
5201. Rents	1,371	700	1,400	1,400	700	100.0
5207. Dues, Memberships & Sub.	675	840	840	840	0	.0
5212. Utility Services	3,352	3,595	3,595	3,595	0	.0
5220. Travel, Schools, & Conf.	4,981	1,986	1,986	1,986	0	.0
5235. Routine Rep. & Maint.	7,451	3,550	3,450	3,590	40	1.1
5236.13 Other Equipment Maint.	1,035	1,035	1,035	1,035	0	.0
5289. Equipment Use Charge	12,035	13,060	13,060	13,460	400	3.1
Total Contractual Services	30,900	24,766	25,366	25,906	1,140	4.6
Commodities						
5310. Supplies	1,409	1,090	1,090	1,090	0	.0
5320. Books/Education Material	30	50	50	50	0	.0
Total Commodities	1,439	1,140	1,140	1,140	0	.0
Other Charges						
5430. Grants/Subsidies/Contri.	21,796	22,000	22,000	22,000	0	.0
Total Other Charges	21,796	22,000	22,000	22,000	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	246,694	245,650	243,628	251,960	6,310	2.6
Reduction of Costs						
5610. Recovered from Users	455-	0	0	0	0	.0
Total Reduction of Costs	455-	0	0	0	0	.0
TOTAL NET EXPENDITURES	246,239	245,650	243,628	251,960	6,310	2.6

CITY OF OAK RIDGE			
FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Recreation and Parks	Indoor Aquatics	972

ACTIVITY DESCRIPTION

The function of the Indoor Aquatics activity is to provide safe and healthy swimming facilities with a varied and comprehensive swimming program. A well-rounded aquatics program is provided which includes recreational, therapeutic, competitive and instructional aquatic programs. In the past year, this facility has accommodated approximately 16 different groups and/or swimming sessions. At present, 95 hours of swimming per week are scheduled at the Civic Center Pool, with only three hours open for additional programs. This activity also includes the maintenance and operations of the Civic Center Swimming Pool. The aquatics program is coordinated by a Recreation Manager, and admission fees and pool rental are used to recover a portion of operational costs.

The overall goal of the activity is to provide a well-maintained aquatic facility, which is operated in an efficient and safe manner.

PERFORMANCE OBJECTIVES

1. Increase the aquatic staff certified in the American Red Cross Lifeguard Training Course (which includes CPR and first aid) and trained in the operations of the swimming pool in order to better safeguard and serve the public.
2. Collect revenue equal to 25 percent of the pool's operating costs.
3. To increase attendance by one percent.
4. Certify 100% of the Aquatic staff in AED and Oxygen administration.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Pool staff certified in first aid and pool Operation	100%	100%	100%	100%
Revenues as percentage of cost	36%	38%	37%	33%
Revenue Generated	\$53,581	\$62,500	\$55,000	\$55,000
Staff certified in Red Cross Lifeguard Training Course	100%	100%	100%	100%
Number of Participants	38,760	46,000	38,840	40,000
Net Cost per Participant	\$2.47	\$2.57	\$2.77	\$3.13
Pool staff certified in O2 and AED	Unavailable	N/A	Unavailable	100%

SIGNIFICANT EXPENDITURE CHANGES

Budgeted funding for Contractual Services declined \$3,815. Utility Services costs decreased \$2,330 based on actual usage patterns and the year-around closure of the pool on Sundays. The closure of the pool on Sundays was instituted in fiscal 2004 to reduce the property tax rate. Equipment Use Charges declined \$1,485 due to the elimination of funding for the maintenance and replacement of small equipment no longer in service. Liability Insurance costs increased by \$650 due to higher premiums which mirrors a nationwide industry trend.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
972 Indoor Aquatics

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	52,093	49,650	52,014	53,574	3,924	7.9
5120. Salaries-Temp. Employees	42,588	58,249	58,000	55,253	2,996-	5.1-
5131. Regular Overtime Pay	1,220	4,150	4,150	4,150	0	.0
5141. Social Security	7,219	8,529	8,734	8,643	114	1.3
5150. Retirement	4,062	4,767	4,767	5,917	1,150	24.1
5160. Medical & Workers Comp	4,671	5,266	5,266	5,441	175	3.3
Total Personal Services	111,853	130,611	132,931	132,978	2,367	1.8
Contractual Services						
5207. Dues, Memberships & Sub.	375	480	480	480	0	.0
5210. Prof. & Contractual Ser.	762	1,000	1,000	1,000	0	.0
5212. Utility Services	44,034	56,880	35,950	54,550	2,330-	4.1-
5220. Travel, Schools, & Conf.	648	495	495	495	0	.0
5235. Routine Rep. & Maint.	3,392	7,200	7,200	7,200	0	.0
5236.13 Other Equipment Maint.	345	345	345	345	0	.0
5262. Nonroutine Rep. & Maint.	0	2,380	2,380	2,380	0	.0
5289. Equipment Use Charge	696	1,485	1,485	0	1,485-	100.0-
Total Contractual Services	50,252	70,265	49,335	66,450	3,815-	5.4-
Commodities						
5310. Supplies	10,353	3,710	3,710	3,710	0	.0
5325. Uniforms/Safety Equip.	150	0	150	150	150	.0
Total Commodities	10,503	3,710	3,860	3,860	150	4.0
Other Charges						
5410. Insurance	1,920	2,350	2,350	3,000	650	27.7
Total Other Charges	1,920	2,350	2,350	3,000	650	27.7
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	174,528	206,936	188,476	206,288	648-	.3-
Reduction of Costs						
5610. Recovered from Users	25,024-	26,000-	26,000-	26,000-	0	.0
Total Reduction of Costs	25,024-	26,000-	26,000-	26,000-	0	.0
TOTAL NET EXPENDITURES	149,504	180,936	162,476	180,288	648-	.4-

CITY OF OAK RIDGE			
FUND General	DEPARTMENT Recreation and Parks	ACTIVITY Outdoor Aquatics	NUMBER 973

ACTIVITY DESCRIPTION

The Outdoor Aquatics activity includes the maintenance and operation of the Oak Ridge Municipal Swimming Pool. Municipal Pool operations begin on the last weekend in May on a weekend basis. Daily operations begin in early June and continue until mid August. In addition to recreational swimming, a variety of other activities are offered through the Outdoor Aquatics program including swimming lessons, taught by the American Red Cross, Learn to Swim, and competitive swimming (ORCA and Interclub). Private swim time is also reserved by several community organizations. The coordination of this activity is performed by a Recreation Manager, who is responsible for both indoor and outdoor aquatic programs.

PERFORMANCE OBJECTIVES

1. Certify 100 percent of the Guard staff in American Red Cross Lifeguard Training.
2. Collect revenues equal to 40 percent of operating costs.
3. To increase attendance.
4. Certify 100 percent of the Guard staff in O2 and AED.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Staff certified in Red Cross Life Guard Training	100%	100%	100%	100%
Revenues as percentage of cost	37%	40%	33%	32%
Revenues	\$75,876	\$85,000	\$70,000	\$75,000
Attendance	48,675	62,000	40,108	50,000
Hours of in-service training (first aid, rescue techniques, and pool maintenance)	60	60	60	60
Net cost per participant	\$2.62	\$2.38	\$3.69	\$2.88
Staff Certified in AED and O2	Unavailable	N/A	Unavailable	100%

SIGNIFICANT EXPENDITURE CHANGES

Salaries, primarily for temporary employees, went down by \$14,613 reflecting costs for actual staffing levels. Budgeted funding for Contractual Services declined \$2,535. Utility Services costs decreased \$1,750 based on actual usage patterns. Equipment Use Charges declined \$865 due to the elimination of funding for the maintenance and replacement of small equipment no longer in service. Liability Insurance costs increased by \$2,840 due to higher premiums which mirrors a nationwide industry trend.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
973 Outdoor Aquatics

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	13,350	9,266	13,400	13,481	4,215	45.5
5120. Salaries-Temp. Employees	89,454	127,830	108,000	111,521	16,309-	12.8-
5131. Regular Overtime Pay	9,256	6,000	9,000	3,000	3,000-	50.0-
5141. Social Security	8,406	10,853	9,976	10,940	87	.8
5150. Retirement	1,156	1,353	1,985	1,689	336	24.8
5160. Medical & Workers Comp	1,562	1,756	1,756	1,814	58	3.3
Total Personal Services	123,184	157,058	144,117	142,445	14,613-	9.3-
Contractual Services						
5201. Rents	306	0	0	0	0	.0
5207. Dues, Memberships & Sub.	220	100	100	100	0	.0
5210.203 Mowing Contract	1,803	1,820	1,840	1,900	80	4.4
5212. Utility Services	24,065	29,750	27,400	28,000	1,750-	5.9-
5220. Travel, Schools, & Conf.	359	0	0	0	0	.0
5235. Routine Rep. & Maint.	25,469	16,035	16,035	16,035	0	.0
5236.13 Other Equipment Maint.	445	445	445	445	0	.0
5262. Nonroutine Rep. & Maint.	0	3,000	3,000	3,000	0	.0
5289. Equipment Use Charge	1,340	865	865	0	865-	100.0-
Total Contractual Services	54,007	52,015	49,685	49,480	2,535-	4.9-
Commodities						
5310. Supplies	20,434	20,335	20,335	20,335	0	.0
5320. Books/Education Material	0	50	50	50	0	.0
5325. Uniforms/Safety Equip.	2,028	1,190	1,800	1,800	610	51.3
5330. Small Tools/Equipment	880	0	0	0	0	.0
Total Commodities	23,342	21,575	22,185	22,185	610	2.8
Other Charges						
5410. Insurance	3,589	4,260	4,260	7,100	2,840	66.7
Total Other Charges	3,589	4,260	4,260	7,100	2,840	66.7
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	204,122	234,908	220,247	221,210	13,698-	5.8-
Reduction of Costs						
5610. Recovered from Users	551-	2,200-	2,200-	2,200-	0	.0
Total Reduction of Costs	551-	2,200-	2,200-	2,200-	0	.0
TOTAL NET EXPENDITURES	203,571	232,708	218,047	219,010	13,698-	5.9-

CITY OF OAK RIDGE			
FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Recreation and Parks	Centers, Camps And Programs	974

ACTIVITY DESCRIPTION

This activity includes the operation and maintenance of the Civic Center Recreation Building. It also includes all non-aquatic camps, programs and special events at this facility. The Civic Center has two rooms with space for 124 people and two rooms with space for 30 people. The game room, available for drop-in use, offers billiards, table tennis and cable television. The Shep Lauter Room (gymnasium) is used primarily for free play and league play but is also used for large events. Rooms are available for rent by community groups.

The eight-week summer programs operate with a staff of 18 full-time seasonal employees to provide a variety of recreation and leisure activities to area children. Summer Camp, held at the Civic Center, includes sports, organized games, arts & crafts, field trips and special events. A special Day Camp program is offered for handicapped children. An Adventure Camp for youth 13-15 includes climbing, rappelling, ropes course, caving, hiking and canoeing.

PERFORMANCE OBJECTIVES

1. Improve public awareness of leisure services and providers.
2. Include monthly activities in the Oak Ridger.
3. Conduct basic first aid training for all employees.
4. Conduct a Summer Camp with maximum enrollment of 960.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Employees Certified:				
CPR	95%	95%	95%	100%
Multimedia First Aid	96%	95%	95%	100%
Instructors (Multimedia)	1	1	1	1
Instruction hours per employee	8	8	8	8
Summer Camp enrollment	880	960	960	960

SIGNIFICANT EXPENDITURE CHANGES

In fiscal 2003, the expenditures in this activity also included the operating costs for the Scarboro Center. In FY04, activity 977 was added at a budgeted cost of \$108,623 to account for the costs to operate the Scarboro Center.

Budgeted funding for Contractual Services declined \$1,840. Custodial Services funding decreased \$1,390 reflecting service level adjustments to reduce costs. Utility Services costs decreased \$310 based on actual usage patterns. Equipment Use Charges declined \$140 due to the elimination of funding for the maintenance and replacement of small equipment no longer in service. Liability Insurance costs increased by \$3,145 due to higher premiums which mirrors a nationwide industry trend.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
974 Centers, Camps & Programs

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	254,434	200,577	203,684	209,795	9,218	4.6
5120. Salaries-Temp. Employees	65,880	73,703	70,000	70,908	2,795-	3.8-
5131. Regular Overtime Pay	14,638	9,200	15,000	10,000	800	8.7
5141. Social Security	24,841	21,629	22,084	22,239	610	2.8
5150. Retirement	21,957	18,586	18,586	22,089	3,503	18.8
5160. Medical & Workers Comp	58,218	55,476	55,476	56,628	1,152	2.1
Total Personal Services	439,968	379,171	384,830	391,659	12,488	3.3
Contractual Services						
5201. Rents	880	2,000	2,000	2,000	0	.0
5205. Printing & Dup. Charges	1,083	900	900	900	0	.0
5207. Dues, Memberships & Sub.	100	130	130	130	0	.0
5210. Prof. & Contractual Ser.	20,757	12,800	12,800	12,800	0	.0
5210.202 Custodial Contract	72,216	63,650	59,860	62,260	1,390-	2.2-
5212. Utility Services	99,296	112,315	111,031	112,005	310-	.3-
5220. Travel, Schools, & Conf.	4,591	3,283	3,283	3,283	0	.0
5235. Routine Rep. & Maint.	84,296	56,915	56,895	56,915	0	.0
5236.13 Other Equipment Maint.	1,435	1,090	1,090	1,090	0	.0
5289. Equipment Use Charge	0	140	140	0	140-	100.0-
Total Contractual Services	284,654	253,223	248,129	251,383	1,840-	.7-
Commodities						
5310. Supplies	27,704	19,770	19,770	19,770	0	.0
5320. Books/Education Material	0	300	300	300	0	.0
5325. Uniforms/Safety Equip.	1,580	1,300	1,300	1,300	0	.0
Total Commodities	29,284	21,370	21,370	21,370	0	.0
Other Charges						
5410. Insurance	3,859	4,570	4,570	7,715	3,145	68.8
Total Other Charges	3,859	4,570	4,570	7,715	3,145	68.8
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	757,765	658,334	658,899	672,127	13,793	2.1
Reduction of Costs						
5610. Recovered from Users	75,794-	80,660-	80,660-	80,660-	0	.0
Total Reduction of Costs	75,794-	80,660-	80,660-	80,660-	0	.0
TOTAL NET EXPENDITURES	681,971	577,674	578,239	591,467	13,793	2.4

CITY OF OAK RIDGE

FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Recreation and Parks	Athletics	975

ACTIVITY DESCRIPTION

This activity plans, organizes and directs adult and youth athletics and other programs with the cooperation of volunteer leaders, groups organized by the Recreation and Parks Department, and community groups serving as sponsors of an activity or for individual teams. Programs include baseball, softball, tennis, soccer, volleyball and basketball.

PERFORMANCE OBJECTIVES

1. Promote a variety of athletic activities for youth and adults.
2. Promote and encourage volunteers to help conduct the athletic programs.
3. Promote and sponsor two special events.
4. Promote more sporting events.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Youth participants	234	200	212	210
Adult participants	1,280	1,175	1,496	1,350
Youth teams	21	20	20	20
Adult teams	95	82	106	100

SIGNIFICANT EXPENDITURE CHANGES

Liability Insurance costs increased by \$650 due to higher premiums which mirrors a nationwide industry trend.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
975 Athletics

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	40,208	39,999	40,118	41,327	1,328	3.3
5131. Regular Overtime Pay	1,526	2,460	1,500	2,460	0	.0
5141. Social Security	3,179	3,248	3,184	3,350	102	3.1
5150. Retirement	3,812	3,762	3,762	4,488	726	19.3
5160. Medical & Workers Comp	6,289	7,025	7,025	7,259	234	3.3
Total Personal Services	55,014	56,494	55,589	58,884	2,390	4.2
Contractual Services						
5210. Prof. & Contractual Ser.	143	0	0	0	0	.0
5212. Utility Services	92	0	0	0	0	.0
5220. Travel, Schools, & Conf.	99	0	0	0	0	.0
5236.13 Other Equipment Maint.	345	345	345	345	0	.0
Total Contractual Services	679	345	345	345	0	.0
Commodities						
5310. Supplies	2,581	2,970	2,970	2,970	0	.0
Total Commodities	2,581	2,970	2,970	2,970	0	.0
Other Charges						
5410. Insurance	1,920	2,350	2,350	3,000	650	27.7
Total Other Charges	1,920	2,350	2,350	3,000	650	27.7
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	60,194	62,159	61,254	65,199	3,040	4.9
Reduction of Costs						
5610. Recovered from Users	11,200-	2,500-	2,500-	2,500-	0	.0
Total Reduction of Costs	11,200-	2,500-	2,500-	2,500-	0	.0
TOTAL NET EXPENDITURES	48,994	59,659	58,754	62,699	3,040	5.1

CITY OF OAK RIDGE			
FUND General	DEPARTMENT Recreation and Parks	ACTIVITY Parks	NUMBER 976

ACTIVITY DESCRIPTION

The Parks activity provides an opportunity for Oak Ridge citizens to enjoy the out-of-doors without traveling great distances from the City. This activity provides grounds, turf and equipment maintenance for 11 City-owned properties, 6 flower gardens, 14 athletic fields, 15 parks, 23 tennis courts, 10 greenway trails (22.35 miles), 1 National Recreation Trail (7.5 miles), and numerous greenbelt areas. Park design, landscaping and beautification programs are also performed by this activity. One of the overall goals of the activity is to provide monthly inspections and follow up maintenance for all outdoor facilities to ensure citizens and participants a safe environment for their recreational and leisure time activities.

PERFORMANCE OBJECTIVES

1. Maintain the percentage of man-hours allocated to maintenance activities at the current level.
2. Continue to inspect all facilities on a monthly basis.
3. Reduce man-hours for athletic field preparation.
4. Increase maintenance to park areas.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Athletic field maintenance (hours)	2,705	3,115	2,850	2,850
Flower garden maintenance (hours)	315	250	330	330
Building/grounds maintenance (hours)	2,062	2,200	2,200	2,200
Parks maintenance (hours)	5,099	4,550	5,440	5,440
Facilities (hours)	717	1,100	800	800
Administrative (hours)	1,593	1,750	1,600	1,600

SIGNIFICANT EXPENDITURE CHANGES

Budgeted funding for Contractual Services increased \$4,000. Utility Services costs increased \$3,360 based on actual usage patterns. Equipment Use Charges increased \$1,150 to fund the maintenance and future replacement of equipment. Funding for the litter pick-up increased by \$720 to cover inflationary contractual costs. Funding for mowing decreased by \$1,230 to reflect service reductions to reduce costs. Liability Insurance costs increased by \$1,270 due to higher premiums which mirrors a nationwide industry trend.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
976 Parks

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	223,533	232,279	225,030	231,765	514-	.2-
5131. Regular Overtime Pay	4,474	7,830	5,000	6,500	1,330-	17.0-
5141. Social Security	16,895	18,368	17,597	18,227	141-	.8-
5150. Retirement	22,327	21,274	21,274	24,422	3,148	14.8
5160. Medical & Workers Comp	43,598	48,953	48,953	50,591	1,638	3.3
Total Personal Services	310,827	328,704	317,854	331,505	2,801	.9
Contractual Services						
5201. Rents	7,714	11,250	11,250	11,250	0	.0
5210. Prof. & Contractual Ser.	35,711	3,625	3,625	3,625	0	.0
5210.203 Mowing Contract	84,750	90,330	86,500	89,100	1,230-	1.4-
5210.205 Litter Contract	35,192	36,570	36,207	37,290	720	2.0
5212. Utility Services	40,392	33,630	34,372	36,990	3,360	10.0
5220. Travel, Schools, & Conf.	374	364	364	364	0	.0
5235. Routine Rep. & Maint.	68,480	43,045	42,335	43,045	0	.0
5236.13 Other Equipment Maint.	345	345	345	345	0	.0
5262. Nonroutine Rep. & Maint.	12,474	5,575	5,575	5,575	0	.0
5289. Equipment Use Charge	43,332	40,000	40,000	41,150	1,150	2.9
Total Contractual Services	328,764	264,734	260,573	268,734	4,000	1.5
Commodities						
5310. Supplies	63,933	37,080	37,080	37,080	0	.0
5320. Books/Education Material	116	150	150	150	0	.0
5325. Uniforms/Safety Equip.	3,129	4,080	4,080	4,080	0	.0
5334. Motor Fuels, Oils & Lub.	582	0	0	0	0	.0
Total Commodities	67,760	41,310	41,310	41,310	0	.0
Other Charges						
5410. Insurance	2,452	2,960	2,960	4,230	1,270	42.9
Total Other Charges	2,452	2,960	2,960	4,230	1,270	42.9
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	709,803	637,708	622,697	645,779	8,071	1.3
Reduction of Costs						
5610. Recovered from Users	15,720-	25,000-	25,000-	25,000-	0	.0
5620. Recovered from Depts	12,265-	0	0	0	0	.0
Total Reduction of Costs	27,985-	25,000-	25,000-	25,000-	0	.0
TOTAL NET EXPENDITURES	681,818	612,708	597,697	620,779	8,071	1.3

CITY OF OAK RIDGE			
FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Recreation and Parks	Scarboro Center	977

ACTIVITY DESCRIPTION

The Scarboro Community Center includes a multipurpose room that holds up to 150 people and offers table tennis and billiards. The Ebony, A and B rooms hold 30 people each. The Scarboro Daycare is housed in the A and B rooms and utilizes the Ebony room on weekdays. Outdoor facilities include a park/playground, softball field, tennis court and basketball/volleyball courts. Rooms are available at both centers for rent by community groups except for the A and B rooms at the Scarboro Center.

The eight-week summer programs operate with a staff of 3 full-time seasonal employees to provide a variety of recreation and leisure activities to area children. The Scarboro Playground program includes games, crafts, field trips and special events.

PERFORMANCE OBJECTIVES

1. Conduct a Summer Playground Program at the Scarboro Center with maximum enrollment of 240.
2. Conduct an after school program for 6-12 year olds at the Scarboro Center.
3. Provide 12 educational sessions for Senior Adults at the Scarboro Center.
4. Provide a tutorial session for children at least once a week.
5. Provide 2 new programs at the Scarboro Center.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Employees Certified:				
CPR	4	4	4	4
Summer Camp enrollment	240	240	228	240
Instruction hours per employee	40	40	40	40
Educational sessions for seniors	11	12	9	12
2 new programs at Scarboro	0	2	2	2
Scarboro Community Center attendance	10,000	25,000	14,583	28,000
Computer classes	N/A	N/A	4	5

SIGNIFICANT EXPENDITURE CHANGES

In fiscal 2003, the expenditures to operate the Scarboro Center were accounted for in Centers, Camps, and Programs, Activity 974. During fiscal 2003, the Scarboro Center underwent a major renovation and expansion, including the addition of a gymnasium. This \$1,100,000 renovation was funded through a Community Development Block Grant award from the US Department of Housing and Urban Development. In fiscal 2004, this activity was established to account for the operational costs of the Scarboro Center.

Budgeted funding for Contractual Services increased \$2,220 for Custodial (\$1,170) and Utility Services (\$1,050) based on actual usage patterns.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
977 Scarboro Center

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	0	32,200	32,110	33,080	880	2.7
5120. Salaries-Temp. Employees	0	7,263	7,263	7,230	33-	.5-
5131. Regular Overtime Pay	0	0	800	800	800	.0
5141. Social Security	0	3,014	3,073	3,145	131	4.3
5150. Retirement	0	2,853	2,853	3,473	620	21.7
5160. Medical & Workers Comp	0	7,023	7,023	7,257	234	3.3
Total Personal Services	0	52,353	53,122	54,985	2,632	5.0
Contractual Services						
5210. Prof. & Contractual Ser.	0	1,360	1,360	1,360	0	.0
5210.202 Custodial Contract	0	30,900	15,762	32,070	1,170	3.8
5212. Utility Services	0	18,945	19,070	19,995	1,050	5.5
5235. Routine Rep. & Maint.	0	5,060	4,850	5,060	0	.0
5236.13 Other Equipment Maint.	0	345	345	345	0	.0
Total Contractual Services	0	56,610	41,387	58,830	2,220	3.9
Commodities						
5310. Supplies	0	3,000	3,000	3,000	0	.0
Total Commodities	0	3,000	3,000	3,000	0	.0
Other Charges						
Total Other Charges	0	0	0	0	0	.0
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	0	111,963	97,509	116,815	4,852	4.3
Reduction of Costs						
5610. Recovered from Users	0	3,340-	3,340-	3,340-	0	.0
Total Reduction of Costs	0	3,340-	3,340-	3,340-	0	.0
TOTAL NET EXPENDITURES	0	108,623	94,169	113,475	4,852	4.5

CITY OF OAK RIDGE			
FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Recreation and Parks	Senior Center	978

ACTIVITY DESCRIPTION

This activity includes expenditures for various programs conducted on behalf of the City's elderly, including all Senior Center expenditures and the Taxi Coupon Program. The goal is to provide and maintain programs which are available and accessible to all senior citizens and contribute to their physical, mental, social and cultural well-being.

The Senior Center temporarily occupies facilities leased from Anderson County located at 728 Emory Valley Road. The Senior Center has rooms for large and small groups, a kitchen, TV lounge, recreation room with billiard tables and other game tables available for use.

PROGRAM COMMENTS

The scope of municipal services to senior citizens is not limited to General Fund expenditures in this activity. Many elder citizens benefit from a variety of service programs such as drug purchases, large print books in the Library, and home insulation assistance. The Business Office also processes applications for State-funded tax relief to elderly, low-income persons under the Property Assessment and Classification Act of 1973.

Other services available to senior citizens include a nutrition program through the East Tennessee Human Resource Agency (ETHRA), utility bill payments through Anderson County Community Action Commission, public housing and rental assistance through the Housing Authority, and services of the Anderson County Health Department.

The administration of the Taxi Coupon Program is performed by this activity, while expenditures are reflected in the Streets and Public Transportation Fund. The Taxi Coupon Program is expected to cost \$65,000 in FY 2005 with 40 percent of the costs being funded through a grant from the Tennessee Department of Transportation. The City's subsidizes the coupon price by \$1.95 per coupon.

PERFORMANCE OBJECTIVES

1. Effectively utilize local newspaper, radio and newsletters to advertise activities at the Center.
2. Utilize computer equipment to target outreach efforts to older Oak Ridgers.
3. Continue to promote "Cold Facts" program, utilizing volunteers for outreach and implementations.
4. Develop new fitness programs and promote Senior Games competition.

CITY OF OAK RIDGE

FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Recreation and Parks	Senior Center	978

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Senior Center users (non-duplicated)	2,124	2,500	2,003	2,500
Senior Center users (duplicated)	49,397	50,000	48,425	50,000
Physical fitness participants	337	400	341	400
Cost per participant (non-duplicated)	\$102	\$96	\$119	\$99
Taxi system users	575	550	539	525
Volunteer hours	3,684	4,000	3,000	3,500
Cold Facts participants	2,174	2,300	2,325	2,400

SIGNIFICANT EXPENDITURE CHANGES

The budget for Contractual Services increased \$530, primarily for custodial services based on inflationary rates built into the vendor contract for these services. Liability Insurance costs increased by \$650 due to higher premiums which mirrors a nationwide industry trend.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
978 Senior Center

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	± CHG
Personal Services						
5111. Salaries-Reg. Employees	83,885	97,544	97,890	100,682	3,138	3.2
5131. Regular Overtime Pay	2,973	3,350	3,350	3,350	0	.0
5141. Social Security	6,511	7,718	7,745	7,958	240	3.1
5150. Retirement	8,311	8,939	8,939	10,663	1,724	19.3
5160. Medical & Workers Comp	9,752	14,083	14,083	14,551	468	3.3
Total Personal Services	111,432	131,634	132,007	137,204	5,570	4.2
Contractual Services						
5201. Rents	56,818	56,760	56,760	56,770	10	.0
5207. Dues, Memberships & Sub.	0	10	10	10	0	.0
5210. Prof. & Contractual Ser.	250	90	90	90	0	.0
5210.202 Custodial Contract	17,317	17,630	17,449	18,150	520	2.9
5212. Utility Services	9,186	17,120	15,200	17,120	0	.0
5220. Travel, Schools, & Conf.	99	0	0	0	0	.0
5235. Routine Rep. & Maint.	2,489	4,490	4,490	4,490	0	.0
5236.13 Other Equipment Maint.	3,035	3,035	3,035	3,035	0	.0
5262. Nonroutine Rep. & Maint.	0	450	450	450	0	.0
Total Contractual Services	89,194	99,585	97,484	100,115	530	.5
Commodities						
5310. Supplies	16,065	6,720	6,720	6,720	0	.0
5320. Books/Education Material	0	25	25	25	0	.0
5325. Uniforms/Safety Equip.	0	100	100	100	0	.0
Total Commodities	16,065	6,845	6,845	6,845	0	.0
Other Charges						
5410. Insurance	1,962	2,350	2,350	3,000	650	27.7
Total Other Charges	1,962	2,350	2,350	3,000	650	27.7
Capital Expenditures						
Total Capital Expenditures	0	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	218,653	240,414	238,686	247,164	6,750	2.8
Reduction of Costs						
5610. Recovered from Users	1,776-	1,000-	1,000-	1,000-	0	.0
Total Reduction of Costs	1,776-	1,000-	1,000-	1,000-	0	.0
TOTAL NET EXPENDITURES	216,877	239,414	237,686	246,164	6,750	2.8



oak
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Library

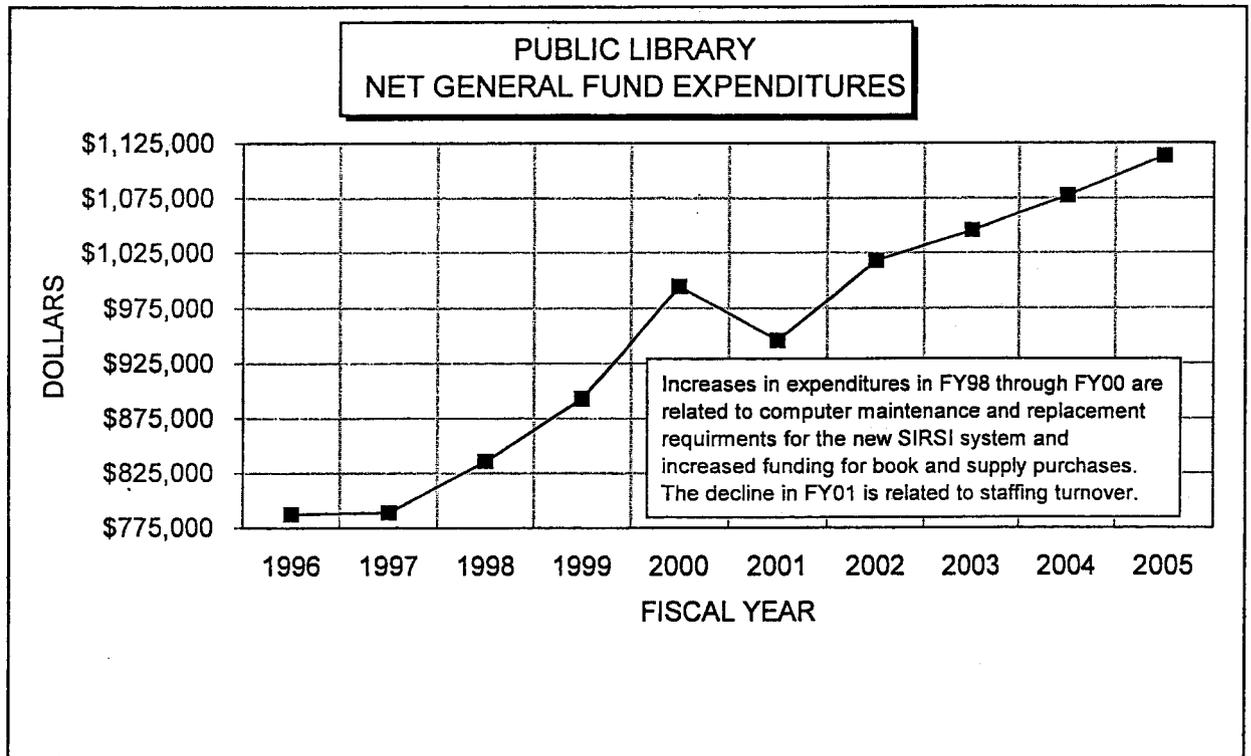
LIBRARY

The Oak Ridge Public Library provides informational and recreational material to meet the needs of the community. The Library is staffed by a combination of 23 full-time and part-time employees, and also recruits and trains volunteers to support the staff and services offered. During fiscal 2003, 101 volunteers provided 4,789 hours of service and support. The Library's total collection consists of approximately 118,320 volumes and 48,993 other non-print material, including cassettes, videos, CD's, DVD's, puzzles, etc. The Library is currently open 65 hours a week throughout the year. In fiscal 2003, Library staff circulated 210,857 books and audiovisual materials. Library patrons borrowed 288 books from other libraries through the Interlibrary Loan Service, while the Library loaned 249 books to other libraries. The Library provides a book delivery service to the senior residences in town through its Service to Seniors program. Books are exchanged once a month at the five residences bringing reading materials to those who cannot come to the Library. The staff answered over 37,433 reference questions.

The Library also houses the Oak Ridge Room, and collects materials pertaining to the history and development of the Oak Ridge area. Some of the Oak Ridge Room's outstanding features include the DOE photograph collection of approximately 1,000 photos of early Oak Ridge, the DVD photos of all pre-Oak Ridge housing, blueprints of the 'alphabet houses', cemetery lists, all phone books used in Oak Ridge, and entire sets of School Board and City Council minutes, city budgets, and many maps of early Oak Ridge to the present day.

The Children's Room provides material and services to children through the sixth grade. Special children's programs include Preschool Storytime, Lapsit Storytime, and the Summer Reading/Listening program. Participation in these programs in fiscal 2003 totaled 6,293 children, and 610 for Summer Reading and Listening.

The Library offers public access to the Internet in the Main Library and the Children's Room. The Library's automated system allows the Library to automate acquisitions, cataloging, and catalog and provide a user-friendly system for Library patrons. The catalog is also available for searching over the Internet.



CITY OF OAK RIDGE

FUND	DEPARTMENT	ACTIVITY	NUMBER
General	Public Library	Public Library	979

ACTIVITY DESCRIPTION

The Oak Ridge Public Library provides informational and recreational materials to meet the needs of the community. The Library acquires printed and non-printed materials, organizes them for convenient use and assists the public in using the materials. The Library maintains a collection of materials covering the history of Oak Ridge.

The Library supports programming designed to connect books and information with the user. These programs provide access to Library resources for residents of all ages. The Library offers Lapsit and Preschool Storytime programs, Summer Reading/Listening Programs, and Service to Seniors, which is a book delivery service to the senior residences.

PERFORMANCE OBJECTIVES

1. To enhance the quality of life in our community by offering a current, up to date collection of materials, covering the continuum of knowledge in its ever-changing forms.
2. To collect, preserve and make available the history of our unique community.
3. To furnish our community with an extensive, easily accessible collection of recreational and informational resources, which combines the best of the old and the new.
4. To offer programming designed to include all segments of our population and especially to nurture the children and youth by giving them access to the exciting world of reading and ideas.
5. To continue to be responsive to the needs and interests of the citizens and to be an important asset to the community.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2003-4	PROJECTED FY 2004	BUDGET FY 2005
Total Circulation	220,269	210,000	204,681	208,000
Registered Patrons	22,477	24,000	27,604	23,000
Items Added to the Collection	8,049	7,500	6,163	6,725
Items Withdrawn from the Collection	3,485	3,000	5,513	4,000
Reference Questions and Readers Service	37,433	33,000	33,029	33,000
Storytime Attendance	5,432	4,000	5,395	5,300

SIGNIFICANT EXPENDITURE CHANGES

Budgeted funding for Contractual Services declined \$10,175. Utility Services costs are projected down \$5,770 reflecting actual usage patterns and a year-around closure of the Library on Sundays. Previously, the Library was only closed on Sunday during the summer months. Other Equipment Maintenance costs declined \$4,015 due to the elimination of charges for small equipment no longer in service. Service level reductions were incorporated into the custodial contract resulting in a \$940 reduction in funding for this service. Rents for small equipment, primarily copiers, increased by \$550.

Liability Insurance costs increased by \$1,385 due to higher premiums, which mirrors a nationwide industry trend.

City of Oak Ridge, Tennessee
Activity Detail

00001 General Fund
979 Public Library

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	516,967	515,013	502,814	527,934	12,921	2.5
5120. Salaries-Temp. Employees	24,984	22,225	36,625	34,683	12,458	56.1
5141. Social Security	40,563	41,072	41,267	43,040	1,968	4.8
5150. Retirement	41,388	45,630	45,630	53,057	7,427	16.3
5160. Medical & Workers Comp	81,145	90,990	90,990	92,862	1,872	2.1
Total Personal Services	705,047	714,930	717,326	751,576	36,646	5.1
Contractual Services						
5201. Rents	5,072	5,430	5,980	5,980	550	10.1
5207. Dues, Memberships & Sub.	22,212	19,351	19,351	19,351	0	.0
5210. Prof. & Contractual Ser.	1,288	9,810	9,810	9,810	0	.0
5210.202 Custodial Contract	29,977	30,510	28,440	29,570	940-	3.1-
5212. Utility Services	70,818	82,425	73,235	76,655	5,770-	7.0-
5220. Travel, Schools, & Conf.	219	600	600	600	0	.0
5235. Routine Rep. & Maint.	53,168	60,636	60,621	60,636	0	.0
5236.13 Other Equipment Maint.	20,545	21,205	21,205	17,190	4,015-	18.9-
Total Contractual Services	203,299	229,967	219,242	219,792	10,175-	4.4-
Commodities						
5310. Supplies	30,034	27,120	27,120	27,120	0	.0
5320. Books/Education Material	105,245	110,342	110,342	110,342	0	.0
Total Commodities	135,279	137,462	137,462	137,462	0	.0
Other Charges						
5410. Insurance	2,535	3,050	3,050	4,435	1,385	45.4
Total Other Charges	2,535	3,050	3,050	4,435	1,385	45.4
Capital Expenditures						
5540. Machinery & Equipment	640-	0	0	0	0	.0
Total Capital Expenditures	640-	0	0	0	0	.0
TOTAL GROSS EXPENDITURES	1,045,520	1,085,409	1,077,080	1,113,265	27,856	2.6
Reduction of Costs						
Total Reduction of Costs	0	0	0	0	0	.0
TOTAL NET EXPENDITURES	1,045,520	1,085,409	1,077,080	1,113,265	27,856	2.6

SECTION III
DEBT SERVICE & CAPITAL PROJECTS FUNDS
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Debt Service Fund

Fund Overview:

The Debt Service Fund is used for the accumulation of resources for the payment of principal and interest on general obligation long-term debt backed and funded by the full faith and credit of the City. This includes the debt service on Schools projects. City Charter prohibits the Schools from issuing long-term debt. The City issues the debt for school capital projects and provides funding for the annual debt service payments on those issuances. Approximately 48% of the City's general debt issuances since 1988 were to provide funding for School capital projects. The use of general long-term debt is normally restricted to those capital improvements or projects that cannot be financed with current revenues, with the bonds repaid over a period less than or equal to the projects' useful life. Long-term debt for the City's Enterprise and Internal Service Funds are accounted for in those Funds rather than the Debt Service Fund.

The City's legal debt limit for general fund obligations is established by the City's Charter at an amount not to exceed ten percent of the City's total appraised property value. Statistical information regarding the City's outstanding general obligation debt, including the legal debt margin, as of June 30, 2003 are on pages VI-23 to VI-26 of this document. The City's General Obligation Bonds are rated "Aa3" by Moody's Investor Service and "A+" by Standard and Poor's. Pages III-7 and III-8 contain debt statistics that are generally reviewed by bond rating agencies. The City's statistics have improved over the past two years. This is the result of no new debt issuances since fiscal 2000 and bond refundings in fiscals 2001 and 2003 that lowered interest rates. Additionally, debt service payments declined during this time frame from lower interest rates being paid on the City's variable rate debt.

The following is a summary of the City's general obligation debt issuances since 1998 for which the debt service payments are accounted for in the Debt Service Fund. The bond proceeds and the related capital expenditures for these issuances are accounted for in the Capital Projects Fund.

\$10,000,000 in General Obligation Bonds (GOB) and notes was issued in 1988 to fund the renovation of Willow Brook and Woodland Elementary Schools and the construction of Emory Valley Road and other street improvements.

\$5,385,000 in General Obligation Bonds were issued in 1989 to fund the construction of a new Glenwood Elementary School.

\$4,950,000 in General Obligation Bonds were issued in 1991 to fund the renovation of several municipal and sports facilities, the purchase of an 800MHz trucking communications system, the renovation of the outdoor pool, the construction of a central fire station and the renovation of two existing fire stations.

\$11,150,000 in General Obligation Bonds were issued in 1995 for the renovation of the High School and two City Middle Schools.

A \$1,247,994 variable rate loan was obtained in fiscal 1995 from the Tennessee Municipal Bond Fund for the purchase of land for a new Roane State community College Campus in Oak Ridge and storm drainage improvements.

\$16,000,000 in General Obligation Bonds were issued in 1996 to fund construction of a new City Central Service Complex and various other City and School facility improvements and equipment, including construction of 3 baseball/softball fields at Parcel 457, Briarcliff/Laboratory Road extension, purchase of the Library MARC system and improvements at Linden Elementary School including construction of a stage and the addition of an elevator to meet ADA requirements.

A \$3,213,000 variable rate loan was obtained in 1998 through the TN-LOANS program to fund demolition and remediation of the old Central Service Complex site, street resurfacing including Rutgers Avenue, storm water drainage improvements, Schools ADA enhancements and Willow Brook Elementary wall repairs, Melton Lake Greenway construction and other City building improvements.

\$10,000,000 in General Obligation Bonds were issued in FY 2000 with the bond proceeds split equally on City and School capital improvements. School projects include American Disabilities Act (ADA) renovations and replacement of windows at various school buildings, roof and chiller replacement at Linden Elementary School, upgrades to the auditoriums at the High School and two Middle Schools and systemwide technology upgrades. City projects include storm water drainage improvements, which includes the Mitchell Road and Emory Creek Projects, City share of the State roadway expansion into the City's southwest quadrant, completion of phase II and Phase III of the Melton Lake greenway and the Emory Valley Road greenway, expansion of the Animal Shelter to house the City's two K-9 dogs and numerous building and recreation facility improvements.

Since 1988, there has been 4 bond refundings, which consolidated and lowered the interest rate on the outstanding debt on the above debt issuances. The outstanding principal balance of long-term debt funded through the Debt Service Fund is projected to be \$46,279,765 at June 30, 2004. Page III-6 contains the amortization schedule for this debt. Of this amount, \$19,138,765 is in variable interest rate debt. For budget purposes, this is estimated using a 3.8% interest rate. In fiscal 2004, the variable rate ranged below 2%, however, this is below historical averages. There is also \$1,499,000 in outstanding general obligation debt that was issued to purchase fire trucks and Y2K compliant computer hardware and software that will be funded and accounted for through the Equipment Replacement Rental Fund, an internal service fund, and \$905,000 in outstanding general obligation debt that was issued to expand and renovate the Scarboro Center whose debt service will be funded from a HUD Grant that is accounted for in the Grant Fund.

Major Revenue Sources:

Funding for the Debt Service Fund is derived from operating transfers from other Funds; primarily the General Fund budgeted at \$4,035,550 for fiscal 2005. This is a \$1,065 increase over the prior fiscal year. \$200,000 is budgeted for transfer from the Capital Projects Fund from funding allocated for capital maintenance projects. This transfer will fund the annual debt service on a \$2,000,000 debt issuance planned for fiscal 2005 to finance capital maintenance projects accounted for in the Capital Projects Fund.

Major Expenditure Areas:

Fiscal 2005 projected debt service obligations on existing debt totaled \$4,035,550. \$200,000 in budgeted expenditures is included for a planned 2005 debt issuance as described above under major revenue sources. The appropriation also includes a \$1,000,000 contingency for fluctuations in variable rate debt and for timing variances on future debt issuances.

Budget Changes:

There are no major budgetary changes for fiscal 2005. There were no new debt issuances in fiscal 2004 and the debt issuance budgeted for fiscal 2004 has been delayed and budgeted in fiscal 2005. The August 5, 2004 general election contains a sales tax referendum related to projected \$46 million debt issuance to renovate and expand the Oak Ridge High School. The budgets for the Debt Service and Capital Projects Funds will be amended to allow for debt service and capital expenditures for this project if the sales tax referendum passes.

**DEBT SERVICE FUND
BUDGET SUMMARY**

	<u>ACTUAL</u> 2003	<u>BUDGET</u> 2004	<u>PROJECTED</u> 2004	<u>BUDGET</u> 2005	<u>BUDGET</u> 05 vs 04	<u>%</u> <u>CHANGE</u>
REVENUES:						
4610 Interest	24,885	7,200	24,500	25,000	17,800	247.2
EXPENDITURES:						
Debt Issuances for City Capital Projects:						
12175 General Obligation Bond Refunding 2003	67,993	1,257,709	1,247,352	572,943	(684,766)	-54.4
12167 General Obligation Bond Refunding 1993	441,413	0	298	0	0	0.0
12151 TMBF 1994 Variable Rate Loan	19,562	25,643	8,700	21,613	(4,030)	-15.7
12141 Public Improvements, Series 1996	681,652	0	250	0	0	0.0
12152 TN-Loan 1997 Variable Rate Loan	36,487	0	0	0	0	0.0
12171 Public Improvements, Series 2000	76,126	99,651	99,651	109,971	10,320	10.4
12156 TN-Loan 2001 Variable Rate Loan	29,643	61,267	24,000	63,055	1,788	2.9
12173 Public Improvements, Series 2001	1,157,072	1,352,904	1,352,904	1,912,092	559,188	41.3
Total City Projects	2,509,949	2,797,174	2,733,155	2,679,674	(117,500)	-4.2
Debt Issuances for School Capital Projects:						
12176 General Obligation Bond Refunding 2003	6,840	127,356	126,308	58,017	(69,339)	-54.4
12131 Renovation of High School & Jr. Highs, 1995	528,418	0	0	0	0	0.0
12132 School Energy Loan, 1995	86,251	0	0	0	0	0.0
12142 Public Improvements, Series 1996	19,144	0	0	0	0	0.0
12153 TN-Loan 1997 Variable Rate Loan	9,418	0	0	0	0	0.0
12172 Public Improvements, Series 2000	76,126	99,651	99,651	109,971	10,320	10.4
12157 TN-Loan 2001 Variable Rate Loan	302,097	624,383	245,000	642,605	18,222	2.9
12174 Public Improvements, Series 2001	329,753	385,921	385,921	545,283	159,362	41.3
Total School Projects	1,358,046	1,237,311	856,880	1,355,876	118,565	9.6
12997 Capital Maintenance Issuance	0	200,000	0	200,000	0	0.0
12999 Contingency	0	1,000,000	0	1,000,000	0	0.0
Total Expenditures	3,867,994	5,234,485	3,590,035	5,235,550	1,065	0.0
Excess (Deficiency) of Revenues over Expenditures	(3,843,109)	(5,227,285)	(3,565,535)	(5,210,550)	16,735	-0.3
OTHER FINANCING SOURCES						
Operating Transfers In:						
City General Fund	4,213,207	4,034,485	4,034,485	4,035,550	1,065	0.0
School General Fund	86,251	0	0	0	0	0.0
Capital Projects Fund	0	200,000	0	200,000	0	0.0
Contingency	0	1,000,000	0	1,000,000	0	0.0
Total Other Financing Sources	4,299,458	5,234,485	4,034,485	5,235,550	1,065	0.0
Excess (Deficiency) of Revenues and Other Sources over Expenditures	456,349	7,200	468,950	25,000	17,800	247.2
FUND BALANCE - 7/1	783,398	947,542	1,239,747	1,708,697	761,155	80.3
FUND BALANCE - 6/30	1,239,747	954,742	1,708,697	1,733,697	778,955	81.6

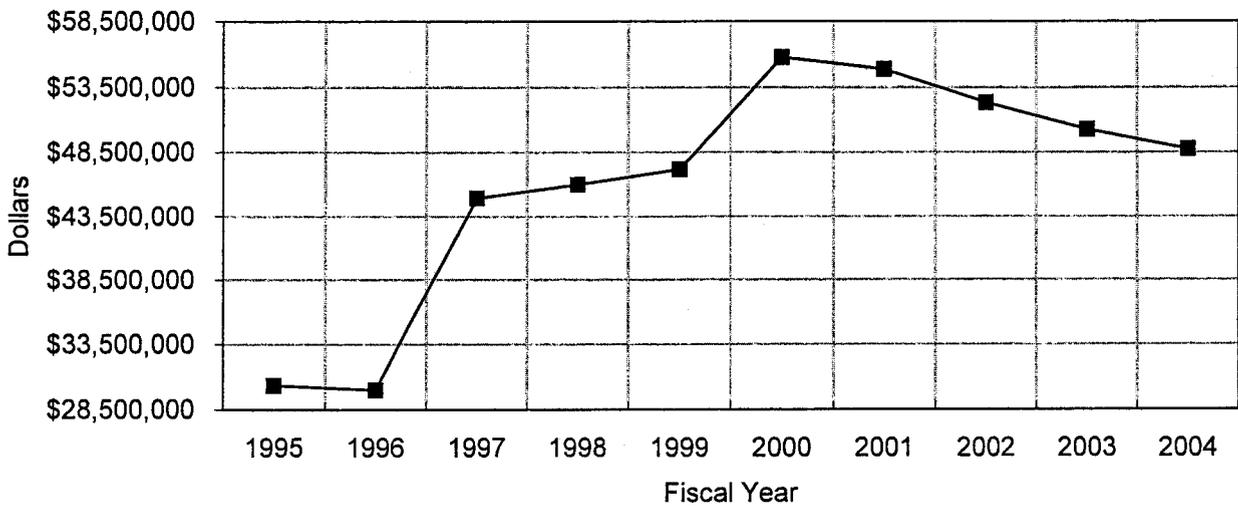
DEBT SERVICE FUND EXPENDITURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHANGE
12131 HIGH SCHOOL AND MIDDLE SCHOOL RENOVATIONS, SERIES 1995						
5210 Professional & Cont. Services	436	0	0	0	0	0.0
5439.1 Principal Retirement	365,000	0	0	0	0	0.0
5439.2 Interest Charges	162,982	0	0	0	0	0.0
Total	528,418	0	0	0	0	0.0
12132 SCHOOL ENERGY LOAN						
5439.1 Principal Retirement	82,112	0	0	0	0	0.0
5439.2 Interest Charges	4,139	0	0	0	0	0.0
Total	86,251	0	0	0	0	0.0
12141 PUBLIC IMPROVEMENTS, SERIES 1996 - CITY						
5210 Professional & Cont. Services	796	0	250	0	0	0.0
5439.1 Principal Retirement	617,634	0	0	0	0	0.0
5439.2 Interest Charges	63,222	0	0	0	0	0.0
Total	681,652	0	250	0	0	0.0
12142 PUBLIC IMPROVEMENTS, SERIES 1996 - SCHOOL						
5439.1 Principal Retirement	17,366	0	0	0	0	0.0
5439.2 Interest Charges	1,778	0	0	0	0	0.0
Total	19,144	0	0	0	0	0.0
12151 TMBF 1994 VARIABLE RATE LOAN - CITY						
5439.1 Principal Retirement	0	0	0	0	0	0.0
5439.2 Interest Charges	19,562	25,643	8,700	21,613	(4,030)	-15.7
Total	19,562	25,643	8,700	21,613	(4,030)	-15.7
12152 TN-LOAN 1997 VARIABLE RATE LOAN - CITY						
5439.1 Principal Retirement	0	0	0	0	0	0.0
5439.2 Interest Charges	36,487	0	0	0	0	0.0
Total	36,487	0	0	0	0	0.0
12153 TN-LOAN 1997 VARIABLE RATE LOAN - SCHOOLS						
5439.1 Principal Retirement	0	0	0	0	0	0.0
5439.2 Interest Charges	9,418	0	0	0	0	0.0
Total	9,418	0	0	0	0	0.0
12156 TN-LOAN 2001 VARIABLE RATE LOAN - CITY						
5439.1 Principal Retirement	0	0	0	0	0	0.0
5439.2 Interest Charges	29,643	61,267	24,000	63,055	1,788	2.9
Total	29,643	61,267	24,000	63,055	1,788	0.0
12157 TN-LOAN 2001 VARIABLE RATE LOAN - SCHOOLS						
5439.1 Principal Retirement	0	0	0	0	0	0.0
5439.2 Interest Charges	302,097	624,383	245,000	642,605	18,222	2.9
Total	302,097	624,383	245,000	642,605	18,222	0.0
12167 GENERAL OBLIGATION BOND REFUNDING 1993 - CITY						
5210 Professional & Cont. Services	250	0	298	0	0	0.0
5439.1 Principal Retirement	290,000	0	0	0	0	0.0
5439.2 Interest Charges	151,163	0	0	0	0	0.0
Total	441,413	0	298	0	0	0.0

DEBT SERVICE FUND EXPENDITURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHANGE
12171 PUBLIC IMPROVEMENTS, SERIES 2000 - CITY						
5210 Professional & Cont. Services	250	250	250	250	0	0.0
5439.1 Principal Retirement	55,000	80,000	80,000	95,000	15,000	18.8
5439.2 Interest Charges	20,876	19,401	19,401	14,721	(4,680)	-24.1
Total	76,126	99,651	99,651	109,971	10,320	10.4
12172 PUBLIC IMPROVEMENTS, SERIES 2000 - SCHOOLS						
5210 Professional & Cont. Services	250	250	250	250	0	0.0
5439.1 Principal Retirement	55,000	80,000	80,000	95,000	15,000	18.8
5439.2 Interest Charges	20,876	19,401	19,401	14,721	(4,680)	-24.1
Total	76,126	99,651	99,651	109,971	10,320	10.4
12173 PUBLIC IMPROVEMENTS, SERIES 2001 - CITY						
5210 Professional & Cont. Services	156	500	500	500	0	0.0
5439.1 Principal Retirement	365,762	575,880	575,880	1,159,543	583,663	101.4
5439.2 Interest Charges	791,154	776,524	776,524	752,049	(24,475)	-3.2
Total	1,157,072	1,352,904	1,352,904	1,912,092	559,188	41.3
12174 PUBLIC IMPROVEMENTS, SERIES 2001 - SCHOOLS						
5210 Professional & Cont. Services	44	500	500	500	0	0.0
5439.1 Principal Retirement	104,238	164,120	164,120	330,457	166,337	101.4
5439.2 Interest Charges	225,471	221,301	221,301	214,326	(6,975)	-3.2
Total	329,753	385,921	385,921	545,283	159,362	41.3
12175 GENERAL OBLIGATION BOND REFUNDING 2003 CITY						
5210 Professional & Cont. Services	449	454	454	454	0	0.0
5439.1 Principal Retirement	26,971	1,044,258	1,030,637	376,841	(667,417)	-63.9
5439.2 Interest Charges	40,573	212,997	216,261	195,648	(17,349)	-8.1
Total	67,993	1,257,709	1,247,352	572,943	(684,766)	-54.4
12176 GENERAL OBLIGATION BONDS REFUNDING 2003 SCHOOLS						
5210 Professional & Cont. Services	0	46	46	46	0	0.0
5439.1 Principal Retirement	2,731	105,742	104,363	38,159	(67,583)	-63.9
5439.2 Interest Charges	4,108	21,568	21,899	19,812	(1,756)	-8.1
Total	6,839	127,356	126,308	58,017	(69,339)	-54.4
12177 GENERAL OBLIGATION BONDS CAPITAL MAINTENANCE						
5210 Professional & Cont. Services	0	0	0	0	0	0.0
5439.1 Principal Retirement	0	0	0	0	0	0.0
5439.2 Interest Charges	0	200,000	0	200,000	0	0.0
Total	0	200,000	0	200,000	0	0.0
12999 CONTINGENCY						
5439.2 Interest Charges	0	1,000,000	0	1,000,000	0	0.0
TOTAL DEBT SERVICE FUND EXPENDITURES	3,867,994	5,234,485	3,590,035	5,235,550	1,065	0.0

GENERAL LONG-TERM DEBT
 AMORTIZATION SCHEDULE
 ESTIMATED AT 6/30/04

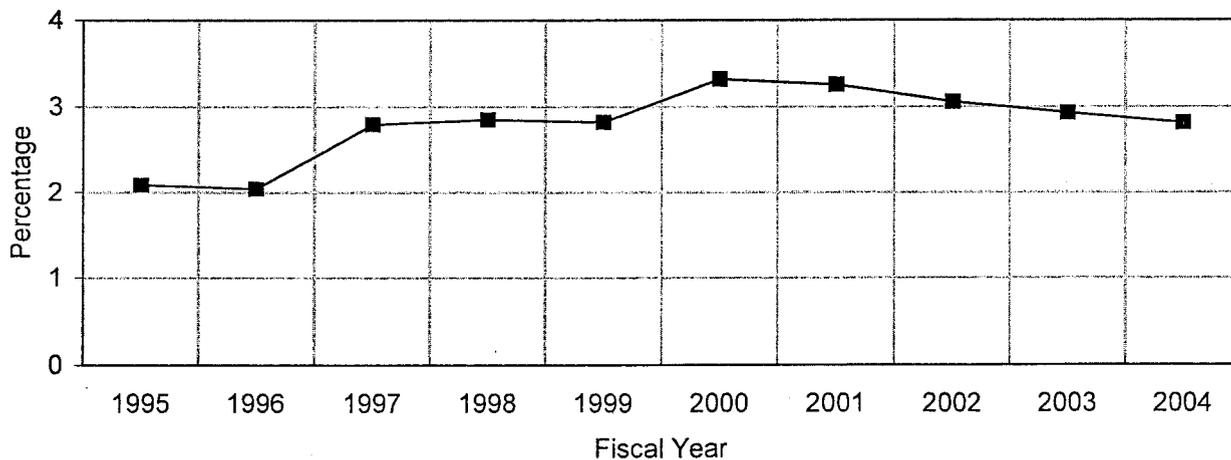
Fiscal Year	Principal	Interest	Total Requirements
2005	2,095,000	1,938,551	4,033,551
2006	2,175,000	1,857,996	4,032,996
2007	2,260,000	1,773,908	4,033,908
2008	2,350,000	1,680,021	4,030,021
2009	2,440,000	1,588,033	4,028,033
2010	2,338,000	1,485,058	3,823,058
2011	2,453,000	1,361,728	3,814,728
2012	2,740,000	1,243,173	3,983,173
2013	2,690,000	1,106,173	3,796,173
2014	2,620,000	973,823	3,593,823
2015	2,740,000	845,862	3,585,862
2016	2,865,000	734,515	3,599,515
2017	3,010,722	618,120	3,628,842
2018	3,145,326	503,292	3,648,618
2019	2,890,251	384,566	3,274,817
2020	3,010,512	274,361	3,284,873
2021	3,146,145	159,538	3,305,683
2022	1,212,183	46,025	1,258,208
2023	98,626	3,440	102,066
TOTAL	<u>\$46,279,765</u>	<u>\$18,578,182</u>	<u>\$64,857,947</u>

Outstanding General Obligation Debt



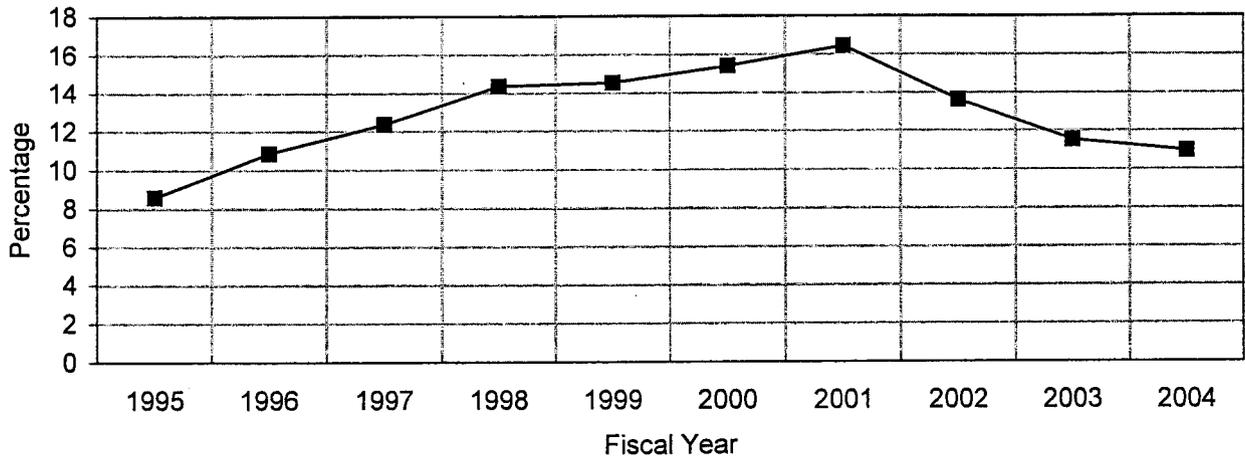
Outstanding General Obligation Debt simply depicts the level of indebtedness over the ten-year period. The peaks were the result of debt issuances of \$11,150,000 in FY 95, \$16,000,000 in FY 97, and \$10,000,000 in FY 00.

General Obligation Debt To Market Value



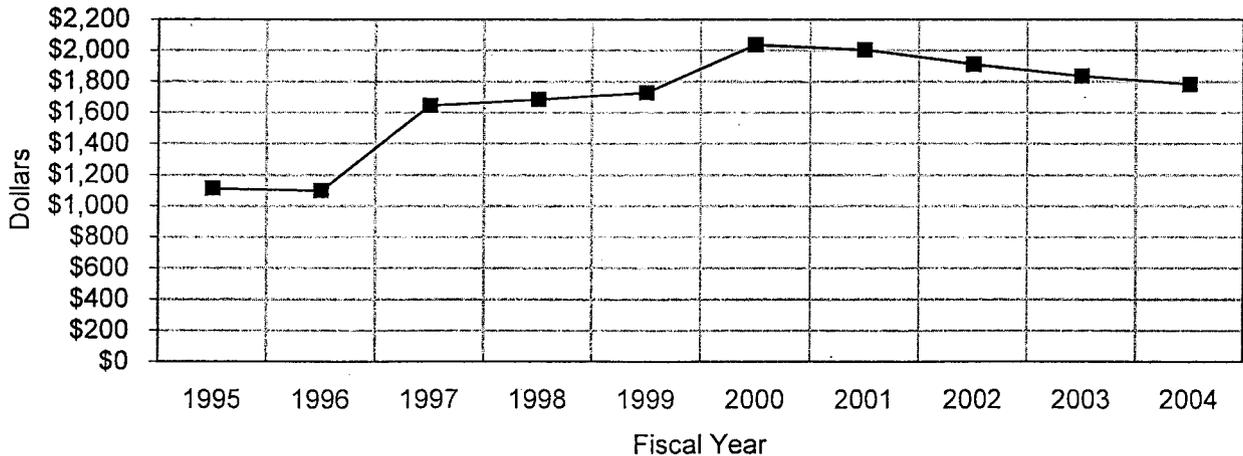
Debt to Market Value fluctuates between 2 and 4 percent. A low debt burden is considered to be below 3 percent, with a moderate debt burden falling in the 3 to 6 percent range.

**General Obligation Debt Service vs.
General Fund Expenditures and Operating Transfers**



Debt Service to Expenditures shows the ratio of General Obligation principal and interest payments to General Fund expenditures and transfers. Ratings agencies generally consider over 15 percent to be a high carrying charge.

**General Obligation Debt
Per Capita**



Debt Per Capita follows the same pattern as Outstanding General Debt mentioned above. Rating agencies generally consider \$1,000 to \$2,500 debt per capita to be the moderate range.

Capital Projects Fund

Fund Overview:

This Capital Projects Fund is used to account for financial resources segregated for the acquisition, construction or renovation of major City and School capital facilities other than those financed by Enterprise Funds. By charter, the Oak Ridge Schools cannot issue debt. Expenditures for major School capital projects are accounted for in the Capital Projects Fund and are financed either through long-term debt issued by the City and/or capital maintenance reserves funded by operating transfers from the City General Fund.

Major Revenue Sources:

Funding is provided from long-term debt issuances and operating transfers from the General Fund. For the past several years, the City has been funding capital maintenance projects through the issuance of long-term debt. The funding of these type items through the issuance of long-term debt is eroding the City's debt capacity, in addition to the required borrowings for major renovations or construction projects. In fiscal 2001, a program was recommended to City Council to finance capital projects costing between \$10,000 and \$300,000 from operating transfers from the General Fund to the Capital Projects Fund rather than through the issuance of long-term debt. The initial operating transfer in 2001 was for \$410,000 with the intent of gradually increasing the transfer amount each fiscal year until the required annual funding level of approximately \$1.2 to \$1.5 million is achieved. The fiscal 2005 transfer amount is budgeted at \$1,080,000.

A \$2,000,000 debt issuance is planned for fiscal 2005 to fund budgeted capital projects. This issuance was originally planned for 2004, but has been delayed until fiscal 2005. Reserves from the General Fund transfer have not yet reached sufficient levels to fund current capital requirements.

Major Expenditures Areas:

Capital improvements totaling \$6,897,624 is budgeted for fiscal 2005, primarily funded from the remaining proceeds of \$10,000,000 in general obligation bonds issued in January 2000, a proposed \$2,000,000 issuance in fiscal 2005 and fund reserves for capital maintenance type items. The budget includes a \$2,000,000 contingency for unplanned or timing variances in capital projects.

Major City capital improvements of \$1,259,949 budgeted for fiscal 2005 include storm water drainage improvements, construction of the Emory Valley Road greenway, refurbish kitchen at the Civic Center, replacement of brick floors at the Civic Center and Library, City funding of \$155,000 toward a \$857,500 State project to realign Manhattan and Rutgers Avenues, funding for a comprehensive study to determine fire department needs including necessity, location and design of new fire halls, grant match of \$23,000 for new sidewalk construction, and continuation of upgrades to the City's recreational facilities to comply with the American Disabilities Act (ADA). \$376,240 of the \$601,949 budgeted for the construction of the Emory Valley greenway will be funded from a previously awarded state grant.

Major School capital improvements of \$3,637,675 budgeted for fiscal 2005 includes \$1,611,175 in improvements to the high school including replacement of windows, structural repairs, auditorium lighting and sound upgrades, and replacements of the gym floor, 2 canopies and a chiller. Other School capital improvements include roof replacements, structural improvements at Woodland Elementary, stage lighting and parking lot improvements at Robertsville Middle School, resurfacing and bleacher replacement at Ben Martin Track, Blankenship field fencing, cooling tower, chiller and heat pump replacements, systemwide security upgrades, carpet replacement, sidewalk and service drive improvements and asbestos abatement.

The August 5, 2004 general election contains a sales tax referendum to provide funding toward a \$58 million project to renovate and expand the Oak Ridge High School. Construction of the project is contingent on the passage of the sales tax referendum. If the referendum passes, the repairs and improvements budgeted in fiscal 2005 for the High School will be rolled into the 4-year major renovation and expansion project and the budget for the Capital Projects Fund will be amended to allow for the additional expenditure levels required for this project.

A more in-depth presentation of planned City and School capital projects is located in the Capital Improvements Program 2005-2010 document. \$200,000 of the capital maintenance reserve funds are budgeted to be transferred to the Debt Service Fund beginning in fiscal 2005. This will fund the annual debt service payment on the \$2,000,000 borrowing planned for 2005 to finance capital projects. This transfer has been budgeted from the Capital Projects Fund to minimize the impact on the property tax rate for this borrowing.

**CAPITAL PROJECTS FUND
BUDGET SUMMARY**

	ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
REVENUES:						
4610 Interest on Investments	91,030	25,000	45,000	25,000	0	0.0
4830 Greenways Grants	0	376,240	0	376,240	0	0.0
4839 Miscellaneous	107,920	0	0	0	0	0.0
TOTAL REVENUES	198,950	401,240	45,000	401,240	0	0.0

EXPENDITURES:

School Expenditures:

29202 Woodland Structural Repairs	0	150,000	0	150,000	0	0.0
29204 Oak Ridge High School	0	0	150,000	1,611,175	1,611,175	100.0
ORHS "A" Building Structural Settlement	1,170	478,500	0	0	(478,500)	-100.0
ORHS "A" Building Fire Alarms	0	50,000	0	0	(50,000)	-100.0
ORHS Auditorium-Lighting & Sound	0	250,000	92,326	0	(250,000)	-100.0
ORHS Heater/Chiller	84,954	78,000	3,025	0	(78,000)	-100.0
ORHS Window Replacements	0	900,000	0	0	(900,000)	-100.0
ORHS Gym Floor Replacement	0	75,000	0	0	(75,000)	100.0
ORHS Canopies (2)	0	100,000	0	0	(100,000)	100.0
29206 Robertsville Chiller Replacement	49,270	75,000	0	0	(75,000)	-100.0
Robertsville Stage Lighting	0	0	0	165,000	165,000	100.0
Robertsville Parking Lot Construction	0	105,000	0	105,000	0	0.0
29207 School Equipment						
Systemwide Technology & Telephone	550,914	525,000	38,431	0	(525,000)	-100.0
Security System	0	180,000	0	180,000	0	100.0
29209 ADA Improvements	4,338	0	0	0	0	0.0
29210 Linden Elementary Boiler	0	0	0	75,000	75,000	100.0
29211 Miscellaneous Site Improvements:						
Ben Martin Track Resurfacing/Bleachers	0	0	0	186,000	186,000	100.0
Carpet Replacement	0	207,000	0	207,000	0	0.0
Window Replacements Engineering	3,036	0	0	0	0	0.0
Blankenship Field Fencing	0	0	0	75,000	75,000	100.0
Heat Pumps/Misc Bld Improvements	149,494	310,500	0	150,000	(160,500)	-51.7
Sidewalks & Service Drives	0	106,500	0	106,500	0	0.0
29212 Asbestos Abatement	1,159	555,000	0	555,000	0	0.0
29213 Roof Replacements	151,243	130,000	130,000	72,000	(58,000)	-44.6
29215 Preschool/Alternate School	2,600	0	0	0	0	0.0
Total School Expenditures	998,178	4,275,500	413,782	3,637,675	(637,825)	-14.9

City Expenditures:

29300 Miscellaneous City Projects						
Bullet Proof Vests	1,928	0	0	0	0	0.0
29307 Municipal Building Improvements:						
Roof	0	55,000	55,000	0	(55,000)	-100.0
HVAC Replacement	9,079	0	0	0	0	0.0
29313 Fire Station HVAC Repairs	1,912	0	0	0	0	0.0
29313 Fire Station Study	0	0	0	60,000	60,000	100.0
29314 Civic Center and Library Improvements:						
Boiler/Hot Water Heaters	149,035	0	0	0	0	0.0
Sidewalk Repairs	51,470	0	0	0	0	0.0
Exterior Doors	0	25,000	25,000	0	(25,000)	-100.0
Refurbish Kitchen/Brick Floors	0	0	0	300,000	300,000	100.0
29318 Central Service Center Seal/Paint Exterior	0	60,000	60,000	0	(60,000)	-100.0
29322 Storm Water Drainage	90,841	300,000	300,000	100,000	(200,000)	-66.7

**CAPITAL PROJECTS FUND
BUDGET SUMMARY**

	<u>ACTUAL 2003</u>	<u>BUDGET 2004</u>	<u>PROJECTED 2004</u>	<u>BUDGET 2005</u>	<u>BUDGET 05 vs 04</u>	<u>% CHANGE</u>
City Expenditures (Continued)						
29324 Senior Center	(26,471)	0	0	0	0	0.0
29330 Southwest Quadrant	209,787	0	0	0	0	0.0
29331 Rutgers Avenue Improvements	93,987	0	0	155,000	155,000	100.0
29333 Sidewalk Construction/Maintenance	748	0	127,000	23,000	23,000	100.0
29306 Tennis Courts	7,992	0	382	0	0	0.0
29317 Recreation Facility ADA Improvements	5,552	20,000	20,000	20,000	0	0.0
Greenways:						
29493 Emory Valley Road Greenway	0	610,000	8,051	601,949	(8,051)	-1.3
29400 Misc. Recreation - Field Fencing	25,000	0	0	0	0	0.0
29401 Scarboro Park - Playground Equipment	22,967	0	0	0	0	0.0
29403 Pinewood Park - Netting Replacement	20,000	0	0	0	0	0.0
29405 Oak Ridge Marina Rowing Improvements	10,367	0	0	0	0	0.0
29408 A.K. Bissell Park - Handicap Parking Bell Site	31,885	0	0	0	0	0.0
29409 Big Turtle Park - Playground/Volley Ball Equip.	50,000	0	0	0	0	0.0
29410 Briarcliff Park ADA	25,000	0	0	0	0	0.0
29411 Carl Yearwood Park - Fence/Bleacher Repair	30,000	0	0	0	0	0.0
29415 Highland View Park - Misc. Improvements	25,000	0	0	0	0	0.0
29430 Indoor Pool Lighting/Resurfacing	42,691	0	0	0	0	0.0
Total City Expenditures	878,770	1,070,000	595,433	1,259,949	189,949	17.8
29999 Contingency	0	2,000,000	0	2,000,000	0	0.0
TOTAL EXPENDITURES	1,876,948	7,345,500	1,009,215	6,897,624	(447,876)	-6.1
Excess (Deficiency) of Revenues Over Expenditures	(1,677,998)	(6,944,260)	(964,215)	(6,496,384)	447,876	6.4
OTHER FINANCING SOURCES (USES):						
Other Financing Sources and Transfers In:						
Long-Term Debt Proceeds	0	2,000,000	0	2,000,000	0	0.0
Contingency Funding	0	2,000,000	0	2,000,000	0	0.0
General Fund	711,000	1,057,000	1,057,000	1,080,000	23,000	2.2
Transfers out:						
Debt Service Fund	0	(200,000)	0	(200,000)	0	0.0
Grant Fund	(193,184)	0	(54,563)	0	0	0.0
Total Other Financing Sources (Uses)	517,816	4,857,000	1,002,437	4,880,000	23,000	0.5
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	(1,160,182)	(2,087,260)	38,222	(1,616,384)	470,876	-22.6
FUND BALANCE - 7/1	3,939,539	2,750,470	2,779,357	2,817,579	67,109	2.4
FUND BALANCE - 6/30	2,779,357	663,210	2,817,579	1,201,195	537,985	81.1

Capital Improvement Programs

Beginning on page III-14, is a summary and description of Citywide capital improvement projects budgeted for fiscal 2005. The summary on pages III-14 and III-15 outline the projects by funding source. The projects funded by the Capital Projects Fund are financed by a combination of long-term debt proceeds and existing fund balance created from operating transfers from the General Fund. The long-term goal is to fund major capital projects through the issuance of long-term debt and routine capital maintenance through the accumulated annual operating transfers from the General Fund. The break between routine and major is currently being defined at the \$300,000 level. Reserves from the General Fund operating transfer have not yet reached sufficient levels to fund current capital maintenance requirements and a \$2,000,000 long-term debt issuance is budgeted for fiscal 2005.

The Electric and Waterworks Fund capital improvements will be funded through a combination of long-term debt and existing cash generated through the applicable user rates for those services. If the City is required to fund the electric, water and sewer line relocation costs for the widening of State Route 95/58, this will require the issuance of long-term debt. Recent State legislation allows the State to reimburse the City for relocation costs along a State Route. Debt issuances may also be required for expansion of utilities into the west end of Oak Ridge and for major capital maintenance projects such as the \$650,000 budgeted for electric distribution system improvements. The issuance of additional debt in the Electric and Waterworks systems will impact future user rates. It is currently anticipated that Waterworks user rates will require an increase within the next two years due to prior and ongoing capital projects.

Capital improvement projects accounted for in the State Street Aid Fund are funded through an operating transfer from the General Fund and state shared tax revenues. The capital improvement level in this Fund should remain fairly constant from year-to-year.

At the end of each calendar year, a Capital Improvements Program (CIP) document is prepared that outlines the City's capital needs for the next six years. City staff drafts the document and then it is forwarded to the Oak Ridge Regional Planning Commission for review. A detail sheet is prepared outlining the need and cost of each capital project. The final adopted CIP is then incorporated into the City's annual budget document. Please refer to the CIP 2005-2010 document for a more in-depth discussion of the capital projects presented in this budget document.

SUMMARY OF CAPITAL IMPROVEMENT PROGRAMS
FISCAL YEAR 2005

PROJECT DESCRIPTION	CAPITAL PROJECTS FUND	ELECTRIC FUND	WATERWORKS FUND	STATE STREET AID FUND	STATE/FEDERAL/PRIVATE	TOTAL CAPITAL PROJECTS
FIRE STATION STUDY	\$ 60,000					\$ 60,000
CIVIC CENTER / REFURBISH KITCHEN / BRICK FLOORS	300,000					300,000
ADA COMPLIANT PLAYGROUNDS	20,000					20,000
EMORY VALLEY ROAD GREENWAY	225,709				376,240	601,949
SOCCER COMPLEX FIELD CONSTRUCTION			30,000			30,000
SIDEWALK IMPROVEMENTS	23,000			30,000	92,000	145,000
STREET RESURFACING & CITY-OWNED PARKING LOTS				550,000		550,000
RUTGERS AVENUE AT MANHATTAN AVENUE / UTILITIES	155,000	70,000	12,500		620,000	857,500
STATE ROUTE 95/58 ROAD IMPROVEMENTS / R-O-W & CONST.					13,000,000	13,000,000
STATE ROUTE 95/58 ELECTRIC LINE RELOCATION		2,550,000				2,550,000
STATE ROUTE 95/58 WATER LINE RELOCATION			1,500,000			1,500,000
STATE ROUTE 95/58 SEWER LINE RELOCATION			295,000			295,000
STORM WATER PROGRAM, EPA NPDES	100,000					100,000
DISTRIBUTION SYSTEM IMPROVEMENTS		650,000				650,000
STREET LIGHT IMPROVEMENT PROGRAM		30,000				30,000
TRAFFIC SIGNAL, PUBLIC & PRIVATE LT MAINT./IMPROVEMENTS		130,000				130,000
FACILITIES EXPANSION FOR NEW LOADS AND SERVICES		580,000				580,000
TRANSMISSION SYSTEM IMPROVEMENTS		140,000				140,000
ROUTINE EXPANSION, MAINTENANCE AND MINOR ADDITIONS		950,000				950,000
WATER TREATMENT PLANT CAPITAL IMPROVEMENTS			1,100,000			1,100,000
WATER TREATMENT PLANT FILTER CONTROLS			500,000			500,000
WATER TREATMENT PLANT CAPITAL MAINTENANCE			300,000			300,000
WATER BOOSTER STATION IMPROVEMENTS			50,000			50,000
SUBTOTAL CAPITAL IMPROVEMENT PROGRAMS	\$ 883,709	\$ 5,100,000	\$ 3,787,500	\$ 580,000	\$ 14,086,240	\$ 24,439,449

SUMMARY OF CAPITAL IMPROVEMENT PROGRAMS
FISCAL YEAR 2005

PROJECT DESCRIPTION	CAPITAL PROJECTS FUND	ELECTRIC FUND	WATERWORKS FUND	STATE STREET AID FUND	STATE/FEDERAL/PRIVATE	TOTAL CAPITAL PROJECTS
SEWER LINE REHABILITATION PROGRAM			\$ 1,200,000			\$ 1,200,000
WATER DISTRIBUTION SYSTEM REHABILITATION			750,000			750,000
WASTEWATER LIFT STATION REPLACEMENT/UPGRADE			300,000			300,000
WASTEWATER LIFT STATION CAPITAL MAINTENANCE			40,000			40,000
WASTEWATER TREATMENT PLANT CAPITAL MAINTENANCE			150,000			150,000
WEST END/RARITY RIDGE DEVELOPMENT - ELECTRIC		200,000				200,000
WEST END/RARITY RIDGE DEVELOPMENT - SEWER			500,000			500,000
WEST END/RARITY RIDGE DEVELOPMENT - WATER			900,000			900,000
ASBESTOS ABATEMENT AT ORHS, RMS, JMS, AND LINDEN	555,000					555,000
OAK RIDGE HIGH SCHOOL IMPROVEMENTS	1,611,175					1,611,175
ROOF REPLACEMENTS	72,000					72,000
BLANKENSHIP FIELD FENCING	75,000					75,000
BEN MARTIN TRACK RESURFACING & BLEACHERS	186,000					186,000
SIDEWALK & SERVICE DRIVE	106,500					106,500
LINDEN ELEMENTARY BOILER	75,000					75,000
ROBERTSVILLE MIDDLE SCHOOL STAGE LIGHTING	165,000					165,000
ROBERTSVILLE MIDDLE SCHOOL PARKING LOT CONSTRUCTION	105,000					105,000
WOODLAND STRUCTURAL REPAIRS	150,000					150,000
SYSTEMWIDE CARPET REPLACEMENT	207,000					207,000
SYSTEMWIDE SECURITY SYSTEM	180,000					180,000
HEAT PUMP AND MISCELLANEOUS BUILDING IMPROVEMENTS	150,000					150,000
TOTAL CAPITAL IMPROVEMENT PROGRAMS	\$ 4,521,384	\$ 5,300,000	\$ 7,627,500	\$ 580,000	\$ 14,088,240	\$ 32,117,124

CAPITAL IMPROVEMENTS PROGRAM

FISCAL YEAR 2005

I. COMMERCIAL/RESIDENTIAL DEVELOPMENT

1. West End Development & Expansion

City staff has been developing an approach to service the utility needs of the undeveloped west end of the City. In June of 1999, eight "Partners for Progress" consisting of the City of Oak Ridge, Roane County, Anderson County, Department of Energy (DOE), Tennessee Valley Authority (TVA), State of Tennessee, Boeing-Oak Ridge, and The Community Reuse Organization of East Tennessee (CROET), entered into a Memorandum of Understanding (MOU). The MOU is a pledge for the partners to work together to find sources of funding for the installation of infrastructure, projected to cost \$15.2 million, to five large parcels of vacant land in the Oak Ridge portion of Roane County. With the installation of infrastructure, it is anticipated that the land will be much more attractive to industries with the entire region benefiting from the investment. These utility expansions will be development driven.

One of the key elements in the west end development is the provision of reliable electric power. Budgeting began in fiscal 2002, with the construction of substation 900 to be located on Blair Road immediately adjacent to the TVA Roane Substation. \$1.5 million of the estimated total \$4 million cost to construct the substation will be funded by an EDA grant.

Other west-end development projects will be development driven and some cost sharing arrangements with the properties being served should be possible. The Partners for Progress will review phasing and cost sharing. Rarity Ridge is the next project planned with electric and water/sewer services planned for this area.

Funding Source

Electric Fund		\$ 200,000
Waterworks Fund		<u>1,400,000</u>
TOTAL		<u>\$1,600,000</u>
Electric Service to Rarity Ridge	\$ 200,000	
Water Infrastructure for Rarity Ridge	900,000	
Sewer Extension to Rarity Ridge/Clinch River	<u>500,000</u>	
TOTAL	\$1,600,000	

Operational Impact: The expansion of services into the Roane County portion of Oak Ridge will result in additional lines and facilities to maintain. Additional personnel are not anticipated at this time.

TOTAL COMMERCIAL/RESIDENTIAL DEVELOPMENT

\$1,600,000

II. MUNICIPAL FACILITIES

1. Renovations/Additions to Municipal Facilities

This project provides for improvements to existing City-owned facilities. Some of the improvements include: a comprehensive study of the fire needs, fire station design and a location study for new stations, refurbish the kitchen at the Civic Center and replace worn brick floor tiles.

Funding Source and Purpose

Capital Projects Fund		<u>\$360,000</u>
Fire Stations		
Comprehensive Study	\$ 60,000	
Oak Ridge Civic Center		
Refurbish Kitchen and Replace Floor Bricks	<u>300,000</u>	
TOTAL		\$360,000

Operational Impact: Maintenance projects will have minimal impact on operations. If new fire halls are recommended and result from the fire study, significant additional costs will be incurred for construction, manning and equipping of any new fire facility.

TOTAL MUNICIPAL FACILITIES \$360,000

III. RECREATION AND PARKS

1. Greenway Implementation

A Greenway is a system of walking trails connecting the City's greenbelts. The advantage is to bring parkland nearer to all Oak Ridge citizens. The Citywide system recommended by the Greenway Task Force has been endorsed by City Council. The Melton Lake Greenway, was constructed in three phases and resulted in 4-mile 8-foot wide asphalt walking/biking trail along Melton Lake Drive to Haw Ridge. The Emory Valley Road greenway, which begins at Melton Lake Drive, was started in FY 2004 with construction planned for FY 2005. These greenways are being funded through a combination of City and grant money from the Tennessee Department of Transportation (TDOT).

Funding Source

Capital Projects Fund		\$225,709
Tennessee Department of Transportation Grants		<u>376,240</u>
TOTAL		<u>\$601,949</u>

Operational Impact: Maintenance cost is estimated at \$220 per mile per year.

III. RECREATION AND PARKS (Continued)

2. Construction and Improvement of Various Park and Recreation Facilities

Existing long-term debt proceeds will be utilized for various recreational facility improvements. The comprehensive plan outlines the development or improvement of a neighborhood park within walking distance of each neighborhood. The City is continuing to conduct ADA complaint upgrades and enhancements to City owned playgrounds to comply with new standards established by the Consumer Product Safety Council.

The soccer community is providing funding and manpower (Army Reserve training) for construction of soccer fields at Haw Ridge Park. Construction of the field began in FY 2003 with utilities, concessions and restrooms plus additional parking scheduled for FY 2005.

Funding Source and Purpose

Capital Projects Fund		\$ 20,000
Waterworks Fund		<u>30,000</u>
TOTAL		<u>\$ 50,000</u>
ADA Compliant Playgrounds (Renovation)	\$ 20,000	
Soccer Complex Water/Wastewater Line Installation	<u>30,000</u>	
TOTAL	\$ 50,000	

Operational Impact: Once constructed, there will be electric, water and wastewater operational charges for lighting and restrooms at the new soccer complex.

TOTAL RECREATION AND PARKS \$651,949

IV. TRANSPORTATION

1. Street Resurfacing including City-Owned Parking Lots (Maintenance)

This program funds the City's Enhanced Pavement Maintenance Program and provides for annual resurfacing of designated city streets in a manner which utilizes both corrective and preventative maintenance strategies. Corrective maintenance includes the use of conventional hot-mix asphalt overlays along with pavement milling where necessary and is used to rehabilitate and correct streets, which are very deteriorated and/or have poor pavement conditions. Preventative maintenance strategies used include the application of thin micro-surface overlays and the application of asphalt rejuvenating surface treatments. These strategies are used to extend the life of street pavements, which are still in good to excellent condition.

In addition to resurfacing streets, this program also includes resurfacing of city-owned parking lots that are in poor condition including such parking lots as those located in the Grove Center and Jackson Square commercial area and various city parks.

IV. TRANSPORTATION (Continued)

1. Street Resurfacing including City-Owned Parking Lots (Maintenance) (Continued)

Funding Source

State Street Aid Fund	<u>\$550,000</u>
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Operational Impact: By resurfacing or rejuvenating streets on a need basis, this project reduces the overall cost and amount of maintenance required for City streets. This project is performed under contract with minimal impact on operations.

2. Sidewalk Improvements

This project focuses on the rehabilitation of existing sidewalks throughout the City. Approximately 100 miles of concrete and asphalt sidewalk are located throughout Oak Ridge. Many of the existing sidewalks are 20 to 30 years old and this program will serve to keep them in acceptable condition to assure pedestrian safety. The new sidewalks will continue the completion of a pedestrian network in downtown Oak Ridge.

Funding Source

State Street Aid Fund	\$ 30,000
Capital Projects Fund	23,000
Tennessee Department of Transportation Grant	<u>92,000</u>
TOTAL	<u>\$145,000</u>

Operational Impact: Sidewalk renovation does not initially impact operating expenses. Direct operating costs are generally insignificant and can be handled with existing municipal forces.

3. Rutgers Avenue at Manhattan Avenue

This project is for the realigning of Manhattan Avenue to connect to Rutgers Avenue opposite Perimeter Road. A side street access will be provided to the TNBank property. The improvements will be compatible with the widening of Rutgers Avenue and the traffic signal at the Rutgers Avenue and Perimeter Road intersection constructed under the Wal-Mart expansion improvements.

Tennessee Department of Transportation will design and construct the improvements with City allocated Federal TEA21 Surface Transportation Program funds plus City matching funds. TDOT has received approval for the project within a Historical District. Construction should begin in early FY 2005.

IV. TRANSPORTATION (Continued)

3. Rutgers Avenue at Manhattan Avenue (Continued)

Funding Source

Federal		\$620,000
Capital Projects Fund		155,000
Electric Fund		70,000
Waterworks Fund		<u>12,500</u>
TOTAL		<u>\$857,500</u>

Acquisition	\$775,000	
Electric Line Relocaton	70,000	
Water Line Relocation	2,500	
Sanitary Sewer Relocation	<u>10,000</u>	
TOTAL	<u>\$857,500</u>	

Operational Impact: The addition of an intersection with traffic signals will increase electric maintenance costs but no additional personnel will be required.

4. State Route 95/58 Road Improvements

The scope of this project includes widening State Route 95/58 in Roane County and State Route 95 in Anderson County from I-40 Gallahar Road interchange to State Route 62 (South Illinois Avenue). Phase II proposed improvements include widening to a four-lane divided roadway between SR 95/58 interchange to Westover Drive. Phase III proposed improvements include widening to a four-lane grass median divided highway from Westover Drive to Jefferson Avenue and a five-lane section from Jefferson Avenue to State Route 62 (South Illinois Avenue). Since funding has not been appropriated for construction, these two phases are now projected in FY 2005/2006. TDOT's new projected bid letting schedule for construction is October 2004 for Phase II and December 2004 for Phase III. New State legislation pertaining to State funds for utility relocation costs may significantly change the listed funding sources.

Funding Source

State of Tennessee and Federal Funding		\$13,000,000
Electric Fund		2,550,000
Waterworks Fund		<u>1,795,000</u>
TOTAL		<u>\$17,345,000</u>

Right of Way and Roadway Construction	\$13,000,000	
Electric Relocation	2,550,000	
Water Line Relocation	1,500,000	
Sewer Line Relocation	<u>295,000</u>	
TOTAL	<u>\$17,345,000</u>	

Operational Impact: Minimal impact on City operational expenses. Total state/federal funding for all phases of the project is estimated at \$33.7 million. Maintenance will be provided under the City's highway maintenance contract with the State.

TOTAL TRANSPORTATION

\$18,897,500

V. UTILITIES

1. Facilities Expansion for New Load

This item combines the various elements of the Department's efforts to serve new loads with the exception of substations and major feeder lines. These include line extensions, construction within subdivisions and other such activities. Cost is dependant on development activity and this should be treated as a placeholder. For instance, residential underground subdivisions cost about \$1,200 per acre for electric infrastructure, 90% of which is borne by the ratepayers. Commercial installations are heavily supported by the customer/developer. For total cost, these numbers should be combined with System Expansion items.

Funding Source

Electric Fund		<u>\$580,000</u>
Underground Residential	\$ 90,000	
Overhead Residential	50,000	
Underground Commercial	90,000	
Overhead Commercial	50,000	
Rarity Ridge Community	<u>300,000</u>	
TOTAL	\$580,000	

Operational Impact: Expanded service areas will require additional maintenance by City electrical crews. Outside contractors are utilized for distribution expansion and other operational projects to supplement electric crews on an as needed basis.

2. Electrical Distribution System Improvements

This project provides for the upgrade of existing system components, including conductors, underground service vaults, and the addition of specific protection devices. It describes non-routine work done by the department to rectify identified inadequacies, along with items required to enhance system performance.

Obvious deficiencies are being addressed and equipment updated. Limited replacement of underground cable and vault systems has already begun. Some reconductoring and replacement of 13 kV lines has also begun based on the results of the system model. Circuit 16 is awaiting development pressure. Limited pro-active underground cable replacement of approximately \$100,000 per year may meet basic system reliability concerns.

Line segments are routinely evaluated via the Department's system model for potential use in switching operations, alternate feeds and line loss, as well as age, condition and functionality. Other structures particularly underground vaults need to be upgraded.

Funding Source

Electric Fund		<u>\$650,000</u>
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Operational Impact: With new equipment installed annual operating costs should decrease and system safety improved.

V. UTILITIES (Continued)

3. Electrical Routine Expansion, Maintenance, Replacement and Minor Additions (Maintenance)

Most of the routine work done by the Department is considered capital (under TVA guidelines). This item has been included to capture the cost of that routine capital. Much of the City's underground cable has aged to the point that replacement is necessary. Also this item represents minor items that are completed on an ongoing basis in the Department – such as pole change/outs. Miscellaneous capital includes a broad range of items from meters and transformers to protection equipment.

Funding Source

Electric Fund		<u>\$950,000</u>
Overhead Distribution	\$250,000	
Underground Distribution	250,000	
Transformers	200,000	
Substation Equipment	100,000	
Metering	20,000	
Miscellaneous (Undescribed) Capital	<u>130,000</u>	
TOTAL	\$950,000	

Operational Impact: This is an ongoing project for replacement of aging equipment and will reduce overall maintenance expenses and insure good quality electric power delivery.

4. Street Light Improvement Program (Capital/Maintenance)

This project provides for the correction of problems to improve the level of street lighting activity within the City. Reduced funding will allow for minor improvements to critical need locations.

The Electrical Department has a street light survey of the city and has policies and guidelines for street lighting. This program will address the street lights in areas with deteriorated or inadequate lighting. Streets include residential as well as industrial and commercial areas, and some thoroughfares. Underground street light cable, which in some cases is over twenty years old, has to be replaced. No funds were included for significant new lighting projects.

Funding Source

Electric Fund	<u>\$30,000</u>
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5. Transmission System Improvements (Maintenance)

This program provides funding for maintenance of the City's 69kV system. An increase in FY 05 will be used to replace fiberglass insulator arms located on concrete poles along the Turnpike. Other amounts reflect the occasional need to replace wooden poles as they decay.

V. UTILITIES (Continued)

5. Transmission System Improvements (Maintenance)(Continued)

Reconductoring and pole replacement are being completed as needed. Work in replacing insulators, connectors, and switches have been identified in engineering studies.

Funding Source

Electric Fund	<u>\$140,000</u>
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Operational Impact: This project represents an effort to maintain the 69kV system. Delay of this project significantly increases chance of widespread electrical outages.

6. Traffic Signal and Street Lighting Improvements (Maintenance)

This project provides for the routine maintenance, installation and replacement of existing traffic signals, street and private lighting. These items are maintained and replaced on an ongoing basis and will be budgeted annually.

Funding Source

Electric Fund	<u>\$130,000</u>
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Traffic Signal Upgrades and Improvements	\$ 70,000
Public/Private Lighting Upgrades and Improvements	<u>60,000</u>
TOTAL	\$130,000

Operational Impact: The Electric Fund pays for and installs the capital equipment and performs ongoing maintenance to the traffic/street lighting systems. The General Fund annually pays the Electric Fund a 13% investment charge on the net book value of the traffic signal and street lighting assets for the installation and maintenance of the equipment

7. Stormwater Management Activities and EPA NPDES Stormwater Program

This project combines two previous projects regarding the EPA NPDES Stormwater Program and the Stormwater Management Activity. This project provides funding for compliance with the new EPA Stormwater regulations and for routine maintenance activities. Upon completion of a management plan, additional funding will be allocated in the future for needed improvements to meet required regulations. Such improvements may include upgrading of inadequate structures, replacement of current structures and/or new installations.

Final EPA regulations for Phase II stormwater requirements were released in October 1999 and Oak Ridge is expected to fall in this second phase of rulemaking. A management plan was developed in mid-2003 with full implementation of the plan anticipated by 2008. Camp Dresser and McKee is under contract to begin the management plan process. Although some inventory tasks have been completed, the project is on hold until the State provides official notification that the City is included in the program. The State presently lists Oak Ridge as a pending city for the program.

V. UTILITIES (Continued)

7. Stormwater Management Activities and EPA NPDES Stormwater Program (Continued)

\$150,000 of the FY 04 funding is being held to provide extension of engineering services, if needed to complete the management plan and storm water modeling with recommendations in the Midway and Woodland areas. This plan should identify other problem areas in the city that need to be addressed.

Funding Source

Capital Projects Fund – Storm Water Management \$100,000

Operational Impact: Minimal impact on operations at this time.

8. Water Booster Station Upgrades (Maintenance)

Additional maintenance capital is added to replace or upgrade items such as pumps, motors, or pipes that will fail as time takes it's toll on these forty-year old structures.

The general upgrade of all water booster stations is complete. Additional capital maintenance funding is added to replace existing equipment such as pumps and motors that will fail as it ages.

Water booster stations are an integral part of the water system. Many repairs and upgrades resulted in the stations looking and performing more efficiently. The extended life of over thirty years necessitates continued maintenance for uninterrupted water for our customers.

Funding Source

Waterworks Fund \$50,000

Operational Impact: Continuation of upgrades to the City's main water booster pump stations including buildings, pumps, motors, and the hydraulic capability of the pumping stations. This will reduce maintenance costs and improve the operation of the pumping stations.

9. Water Distribution System Rehabilitation (Maintenance)

This program provides funding for ongoing routine capital maintenance activities within the water distribution system. Activities include inspection and repainting of the five elevated water tanks, replacement of large diameter water valves and piping, replacement of obsolete fire hydrants, and replacement and downsizing of water meters. A three-year program for replacement of obsolete meters, two inches and larger is proposed through fiscal 2007.

Replacement of fire hydrants and large diameter valves and piping occurs through the year

V. UTILITIES (Continued)

9. Water Distribution System Rehabilitation (Maintenance)(Continued)

This project continues a plan for rehabilitation of the City's water distribution system. The plan concentrates on 1) Replacing obsolete fire hydrant which are no longer manufactured and repair parts are no longer available; 2) Replacement of approximately 5,000 feet of 12 inch force main from the east booster that fill Orchard Reservoir due to age and large number of breaks we have had on that line, estimated to be approximately \$300,000. The "twin" to this line is also becoming problematic and fills the Louisiana Reservoir. It is proposed for replacement at a similar cost in FY 09; 3) Inspection and painting of the five elevated water tanks and 4) Replacement and downsizing of water meters. Approximately 80 meters, two inches and larger, are nearly forty-five years old. Replacement parts are becoming unavailable, as these meters are no longer manufactured. The program proposes to replace these meters from FY 05 to FY 07.

Funding Source

Waterworks Fund		<u>\$750,000</u>
Water System Rehabilitation	\$580,000	
Water Tank Painting & Inspection	10,000	
Fire Hydrant Replacement	50,000	
Water Meter Replacement (21200)	<u>110,000</u>	
TOTAL	\$750,000	

Operational Impact: This project will concentrate on replacement of aged system components focusing initially on large diameter valves (14" through 30") and valve vaults and finally on water main replacement. This will decrease the number of water breaks and lower maintenance costs. Older fire hydrants are being replaced instead of being repaired because the parts are no longer being manufactured.

10. Water Treatment Plant Improvements (Capital/Maintenance)

On May 1, 2000, the City acquired ownership of a 50+-year-old water treatment plant from the Department of Energy (DOE). This program provides for ongoing capital improvements to the plant necessary to ensure the plant's physical and mechanical structure and allows it to continuously produce drinking water, which meets or exceeds guidelines established by State and Federal regulations. The funding provided by this program will allow for a timely replacement of various aged plant equipment, including electronic monitoring and control components, electric motors, pumps, main electrical service and other plant components. Prior to transfer to the City, engineers identified a \$4,000,000 five year improvement program and the financial support of this program has been factored in the rate structure. Capital maintenance funding will continue on an annual basis.

This project is subject to change based on future new regulations from the EPA.

To date, a new telemetry control unit has been installed, a valve replacement project completed, a new telephone system installed, installation of new turbidimeters and particle counters, and replacement of the roofs on the water plant maintenance shop, water intake and water booster station. Projects scheduled for completion in FY 04 through FY 06 include a complete upgrade of the filter control system, replacement the electrical system within the water plant, evaluate the need for replacing the sludge disposal system, settling basin repairs, replacing the cover on the 4 million gallon reservoir, upgrade the dehumidification system and implementing an extensive one-time maintenance/repair program.

V. UTILITIES (Continued)

10. **Water Treatment Plant Improvements (Capital/Maintenance)(Continued)**

FY 2005 capital improvement project planning and funding is based on projects identified in both the water plant feasibility study, which is funded through debt amortization, and ongoing routine capital maintenance projects funded through the rate structure.

Funding Source

Waterworks Fund		<u>\$1,900,000</u>
Capital Improvements	\$1,100,000	
Filter Controls	500,000	
Maintenance Capital Improvements	<u>300,000</u>	
TOTAL	\$1,900,000	

Operational Impact: The Lamar Dunn engineering study indicated that the plant's physical condition, which is still operational at the present time, will require various improvements in order to replace outdated equipment with new, modern and more reliable equipment which will allow for cost efficient operation of the facility.

11. **Wastewater Lift Station Replacement /Upgrade Program (Capital/Maintenance)**

This program funds the systematic replacement of deteriorated sewer lift stations and the upgrading of some other lift stations.

Replacement of nine lift stations is complete: Oak Hills, West Outer Drive, Warehouse Road, Fairbanks Road, Peach Orchard, Marina, Eastburn Lane, Rivers Run and Emory Heights. Radisson Cove and Whippoorwill stations will be completed in FY 2004. Additional replacements will continue as outlined with minor upgrades continuing under the annual capital maintenance activity. No other replacements except those listed below are planned at this time.

Gum Hollow and Graceland are scheduled for replacement in FY 2005. These stations continue to be maintenance problems. Their advanced age has made locating replacement parts extremely difficult. The remaining stations are on a priority basis and this program will continue as planned. The level of funding is approximately one percent of the total asset value.

Funding Source

Waterworks Fund		<u>\$340,000</u>
Station Replacement	\$300,000	
Wastewater Lift Station Maintenance	<u>40,000</u>	
TOTAL	\$340,000	

Operational Impact: Systematic replacement of wastewater lift stations will reduce maintenance expenses. Funding will be provided from a 20-year loan from the Tennessee State Revolving Loan Program.

V. UTILITIES (Continued)

12. Sewer Line Rehabilitation (Maintenance)

This program provides funding to rehabilitate deteriorated lines on an ongoing basis.

Funding Source

Waterworks Fund \$1,200,000

Operational Impact: This program is part of an annual repair and replacement program to upgrade the City's sewer collection system and correct Infiltration and Inflow problems. Funding will be provided from a 20-year loan from the Tennessee State Revolving Loan Program.

13. West Wastewater Treatment Plant (Maintenance)

This program provides for the ongoing capital maintenance at the west end Wastewater Treatment Facility. This is part of the City's wastewater collection and treatment systems. Additional maintenance capital is added to replace or upgrade items such as pumps, meters or transmission pipes that will fail as time takes its toll on the existing 20-year old equipment.

The Wastewater Treatment Plant required some measures of upgrading to accommodate the high levels of infiltration and inflow into the collection system. The upgrade to the treatment plant is scheduled for completion in FY 04. Capital maintenance funding is added to replace or upgrade items such as pumps, motors or transmission pipes that will fail with age on the existing twenty year old equipment.

Funding Source

Waterworks Fund \$150,000

Operational Impact: Additional maintenance will be required on the new equipment. Funding will be provided from a \$20 million 20-year loan from the Tennessee State Revolving Loan Program.

TOTAL UTILITIES \$ 6,970,000

TOTAL CITY OF OAK RIDGE \$28,479,449

VI. SCHOOLS

1. **Asbestos Abatement (Maintenance)**

The Asbestos Hazard Emergency Act requires that all schools in the nation inspect, test and evaluate all suspect building materials. Following the inspection and testing a comprehensive plans has been submitted to the State, which includes the specific actions that will be taken by the school system to eliminate any asbestos hazard. All schools have been approved by the State for an operations and maintenance program. The long range and most appropriate solution for the asbestos containing material is complete removal of exposed or friable material or the approved encapsulation of materials that are not easily accessible in conjunction with an organized operations and maintenance program for all remaining ACM's.

Jefferson and Linden – Removal of all sprayed on asbestos containing materials in mechanical rooms and gymnasiums. In addition, ceiling tiles containing asbestos would be removed and replaced. The AHERA Management Plan for the Oak Ridge Schools identifies this work as first priority in the event that the existing aging encapsulation system begins to fail.

Oak Ridge High School, Robertsville and Remaining Oak Ridge School Buildings – Removal or encapsulation of all remaining asbestos containing pipe sleeves and boiler lagging as well as miscellaneous insulation on heating systems.

The Jefferson gymnasium ceiling encapsulation is aging and questionable for future effectiveness. The preference is that this be funded for removal in FY 05 to eliminate the possibility of airborne asbestos fibers.

Funding Source

Capital Projects Fund		<u>\$555,000</u>
Architectural and Engineering	\$ 56,000	
Removal, Air Monitoring, Testing	<u>499,000</u>	
TOTAL	\$555,000	

Operational Impact: No operational impact on school staff.

2. **Roof Replacement**

The roofs are EPDM style and the rubber membranes are separating and cracking causing leaks that are extremely hard to find and repair in a permanent manner. A review of the maintenance work orders indicate a very high incidence of reported leaks causing property damage, inconvenience, safety hazards, and drains on maintenance manpower.

Funding Source

Capital Projects Fund		<u>\$72,000</u>
Robertsville Classroom Addition	\$72,000	

Operational Impact: Reduced maintenance expenses.

VI. SCHOOLS (Continued)

3. Site Development Capital Improvements

This provides funding for system wide improvements to existing School facilities.

Funding Source

Capital Projects Fund		<u>\$180,000</u>
System Wide Security System	\$180,000	

Operational Impact: Will improve efficiency and productivity of School Staff.

4. Site Development and Building Improvements to Various Schools (Maintenance)

This project provides for improvements to existing School facilities.

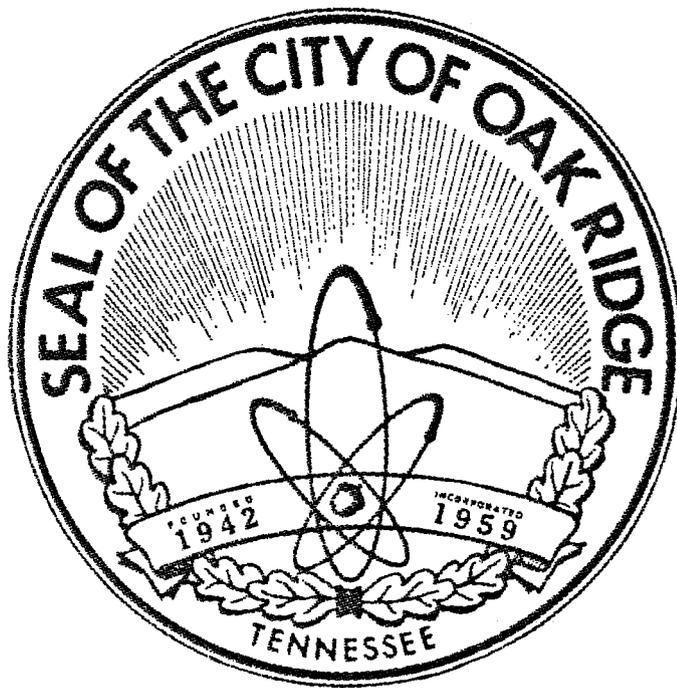
Funding Source and Purpose

Capital Projects Fund		<u>\$2,830,675</u>
ORHS Auditorium Lighting and Sound	\$ 157,675	
ORHS Replace Existing Canopies (2)	100,000	
ORHS Window Replacement	900,000	
ORHS "A" Building Structural Settlement	328,500	
ORHS Miscellaneous Repairs/Replacements	125,000	
Ben Martin Track Resurfacing and Bleachers	186,000	
Blankenship Field Fencing	75,000	
Heat Pump and Miscellaneous Building Improvements	150,000	
Linden Elementary Boiler	75,000	
Robertsville Middle School Stage Lighting	165,000	
Robertsville Middle School Parking Lot	105,000	
Sidewalks and Service Drives Repaving	106,500	
System Wide Carpet Replacement	207,000	
Woodland Building Structural Settlement	<u>150,000</u>	
TOTAL	\$2,830,675	

Operational Impact: Minimal operational impact on School Staff.

TOTAL SCHOOLS **\$3,637,675**

GRAND TOTAL - CAPITAL IMPROVEMENTS **\$32,117,124**



SECTION IV

ENTERPRISE FUNDS & UTILITY RATES

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ENTERPRISE FUNDS

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose. Due to external influences beyond the City's control, actual expenses may vary either higher or lower than projected budgeted expenses in the City's Enterprise Funds. Factors such as weather patterns, mild or severe summers or winters, rainfall or drought conditions, unusual maintenance requirements such as replacement of downed electric lines or water line breaks, etc. effect the level of expenses of these Funds. Therefore, the budgeted expenses for the City's Enterprise Funds are not legally appropriated and are presented for informational purposes to show operational projections for the remaining major Funds of the City. As outlined in this Section, the City maintains four Enterprise Funds:

Electric Fund – Accounts for the provision of electric service to the residents of the City.

Waterworks Fund – Accounts for the provision of water treatment and distribution and wastewater collection and treatment for residents of the City.

Emergency Communications Fund – Accounts for some activities related to the provision of emergency communication service (911) to the residents of the City and some surrounding areas.

Golf Course Fund – Accounts for the construction and operation of the Tennessee Centennial municipal golf course and sale of the remaining available land surrounding the course.

Electric Fund

Fund Overview:

The City is a TVA electric power distributor. Major activities include purchasing power from TVA and providing service to the City's 14,974 residential and industrial customers within the city limits, excluding the DOE Reservation. Historically, purchased power costs are about 75 to 79% of electric sales revenues.

Under the responsibility of the Electric Department, the system's physical plant is maintained by a variety of specialized crews supplemented by contract labor. The Department is divided into three divisions; engineering, operations and technical services, and is staffed by 34 employees. The Electric Fund provides for the construction, operation and maintenance of the electrical distribution system, the street lighting system and the traffic signal system. The Electric Department also maintains the fire alarm system, water distribution telemetering controls, electric instruments at the water booster stations and sewer lift stations and for providing electric maintenance of all City buildings.

The City purchases electrical power from the Tennessee Valley Authority (TVA) at a voltage of 161-Kv at one of three delivery points and distributes it to commercial and residential customers through five distribution substations. The substations are supplied electricity through 14.5 miles of 69KV transmission lines, at which point the voltage is stepped down to 13.2 KV for utilization in the distribution circuits. The distribution system consists of 1,044 miles of overhead primary and 238 miles of various underground conductors.

These services are provided in accordance with three guiding principals: safety for employees and City customers; quality; and efficiency of operations. Other departmental objectives of the Electric Department include:

1. Respond to all customer requests for meter accuracy verification within 2 working days.
2. Respond to 90% of street light complaints within 2 working days of receipt.
3. Meet or exceed state law requirements in response to all requests for underground line location.
4. Respond to all requests for tree trimming or removal within 1 week of request.

Major Revenue Source:

Fiscal 2005 total Electric Fund revenues are budgeted at \$39,849,000. Operating revenues for the system stems from the sale of electricity to residential and commercial customers. Among the variables that affect sales revenue are weather, electric rates and the quantity of power sold. Actual electric sales revenues can vary greatly from year-to-year due solely to weather conditions. Therefore, the amount projected for electric sales revenues and purchased power are only estimates based on current weather trends. Fiscal 2005 Electric sales revenues are budgeted down \$666,460 from that of fiscal 2004 based on current billing patterns. Correspondingly, purchased power costs are budgeted to decline \$663,700 for fiscal 2005. Also included in revenues, is an annual investment charge paid by the General Fund for the maintenance and amortization of traffic control equipment and the street lighting system.

Based on historical trends, residential sales have increased at approximately one percent annually. Due to current and proposed new residential developments, this growth pattern is expected to continue for future fiscal years. Commercial sales have increased more rapidly than residential sales due to new development in the community, although commercial growth is more sporadic than residential growth. Commercial activities account for approximately 65% of total power sales.

TVA acts as the regulatory agency for the City's rates and must approve proposed rate increases. Adjustments to TVA power charges are normally passed on to consumers within a revised rate structure. Electric rates are generally reviewed and adjusted on a biennial basis. The last electric rate increase related to City operations was effective May 1, 2000. The TVA board approved an approximate 7.4% rate increase on electric power sales to all its electric power distributors, which includes the City of Oak Ridge. Accordingly, the City's billing rate structure was revised to pass the TVA rate increase onto the City's electric customers effective October 1, 2003.

Major Expenditure Areas:

Purchased power from TVA, projected at \$29,468,300 for fiscal 2005, accounts for 77.8% of the total operating expenses. Operating expenses, excluding purchased power, tax equivalents and depreciation are projected at \$4,682,672, up \$175,656 or 3.9%. Projected increases are related to salaries and benefits, liability insurance and routine maintenance of overhead and underground lines and street and traffic lights. Budgeted increases in depreciation and amortization of \$63,579 and tax equivalent payments of \$43,628 are based on recent and planned capital improvements to the electric system.

For budgeting purposes, the departmental operating expenses are divided into six activities including (1) Purchased Power (2) Other Expenses (depreciation, tax equivalents and interest expense); (3) Substation Cost; (4) Line Maintenance; (5) Street Lighting and Traffic Signals; and (6) General and Administration (includes Bad Debt and Services from the General Fund).

Budget Changes:

The major budget changes for fiscal 2005 result from lower anticipated revenue coupled with increasing tax equivalent and depreciation costs.

Capital Projects, Electric Rates and Long-Term Debt

Capital improvements were the major driver of the last 5% electric rate increase effective in May 2000. The current electric user rates are sufficient to finance most routine capital improvements, however, major capital projects must be funded through the issuance of long-term debt. Page IV-7 of this document contains a listing of the \$5,656,000 in electric system capital projects planned for fiscal 2005. If the City has to finance the estimated \$2,550,000 cost of relocating the electric infrastructure for the widening of State Routes 95/58, the City would have to issue long-term debt to finance this cost. Recent State legislation allows, but does not require, the State to reimburse local governments for the relocation of utilities due to the widening of State Routes. Other major capital budgeted for fiscal 2005 that might require funding through long-term debt, is \$580,000 for facilities expansion for new loads, \$200,000 for west end electrical development and \$650,000 for distribution system improvement. The issuance of additional long-term debt would impact the electric rates at the next review cycle in the spring of 2005. A more in-depth presentation of planned Electric Fund capital projects is located in the Capital Improvements Program 2005-2010 document.

Capital improvements impact electric user rates from increased expenses for depreciation and tax equivalent payments based on higher asset values, and the need for sufficient cash levels to fund principal and interest payments on long-term debt issued to finance the projects. Interest expense is budgeted to decrease \$89,860 due to a restructuring of the Electric Fund's outstanding long-term debt in fiscal 2003. A current long-term debt amortization schedule is on page IV-8. The Electric Fund's outstanding long-term debt includes \$10,380,000 in variable rate debt. The interest rate on this debt varies on a weekly basis. For amortization purposes, this is estimated at 3.8% interest rate. During fiscal 2004, the interest rate ranged below 2%, however, this is well beneath the historical average. The Electric Fund's \$21,550,000 in outstanding long-term debt is secured solely by the revenues of the Electric system and therefore cannot impact the City's property tax rate.

SCHEDULE XV

ELECTRIC FUND

PROJECTED STATEMENT OF REVENUE AND EXPENSES

	<u>ACTUAL 2003</u>	<u>BUDGET 2004</u>	<u>PROJECTED 2004</u>	<u>BUDGET 2005</u>	<u>BUDGET 05 vs 04</u>	<u>% CHANGE</u>
<u>OPERATING REVENUES:</u>						
Electric Sales Revenues:						
4011 Residential	11,305,606	13,459,680	12,856,840	13,114,000	(345,680)	-2.6
4013 Small Lighting & Power	2,769,637	3,129,980	3,100,000	3,160,000	30,020	1.0
4014 Large Lighting & Power	19,010,983	22,230,000	21,506,000	21,940,000	(290,000)	-1.3
4017 Street & Outdoor Lighting	1,011,449	1,090,800	1,010,000	1,030,000	(60,800)	-5.6
Total Electric Sales Revenues	<u>34,097,675</u>	<u>39,910,460</u>	<u>38,472,840</u>	<u>39,244,000</u>	<u>(666,460)</u>	<u>-1.7</u>
Other Operating Revenues:						
4041 Customer Forfeited discounts	215,853	220,000	220,000	220,000	0	0.0
4042 Rent from Electric Property	162,737	180,000	180,000	180,000	0	0.0
4043 Misc. Electric Revenues	179,345	160,000	160,000	160,000	0	0.0
Total Other Operating Revenues	<u>557,935</u>	<u>560,000</u>	<u>560,000</u>	<u>560,000</u>	<u>0</u>	<u>0.0</u>
Total Operating Revenues	<u>34,655,610</u>	<u>40,470,460</u>	<u>39,032,840</u>	<u>39,804,000</u>	<u>(666,460)</u>	<u>-1.6</u>
<u>OPERATING EXPENSES:</u>						
5460 Depreciation and Amortization	1,414,934	1,595,000	1,646,793	1,658,579	63,579	4.0
5491 Tax Equivalent	1,489,615	1,565,000	1,423,611	1,608,628	43,628	2.8
5465 Purchased Power from TVA	26,066,753	30,132,000	29,250,000	29,468,300	(663,700)	-2.2
5000 Operating Expenses	4,217,211	4,507,016	4,493,993	4,682,672	175,656	3.9
Total Operating Expenses	<u>33,188,513</u>	<u>37,799,016</u>	<u>36,814,397</u>	<u>37,418,179</u>	<u>(380,837)</u>	<u>-1.0</u>
Operating Income	1,467,097	2,671,444	2,218,443	2,385,821	(285,623)	-10.7
<u>NONOPERATING REVENUES (EXPENSES)</u>						
4046 Intergovernmental Revenue	751,372	0	0	0	0	0.0
4810 Interest Revenue	34,085	45,000	45,000	45,000	0	0.0
5439 Interest Expense	(727,663)	(900,000)	(826,340)	(810,140)	89,860	10.0
Total Nonoperating Revenues (Expenses)	<u>57,794</u>	<u>(855,000)</u>	<u>(781,340)</u>	<u>(765,140)</u>	<u>89,860</u>	<u>10.5</u>
Net Income Before Operating Transfers Out	1,524,891	1,816,444	1,437,103	1,620,681	(195,763)	-10.8
<u>OPERATING TRANSFERS</u>						
Operating Transfers Out	(220,720)	(137,395)	(137,395)	(140,280)	(2,885)	-2.1
Net Income	1,304,171	1,679,049	1,299,708	1,480,401	(198,648)	-11.8
<u>RETAINED EARNINGS - 7/1</u>	<u>19,004,019</u>	<u>20,629,452</u>	<u>20,308,190</u>	<u>21,607,898</u>	<u>978,446</u>	<u>4.7</u>
<u>RETAINED EARNINGS - 6/30</u>	<u>20,308,190</u>	<u>22,308,501</u>	<u>21,607,898</u>	<u>23,088,299</u>	<u>779,798</u>	<u>3.5</u>

City of Oak Ridge, Tennessee
Activity Detail
Electric Fund

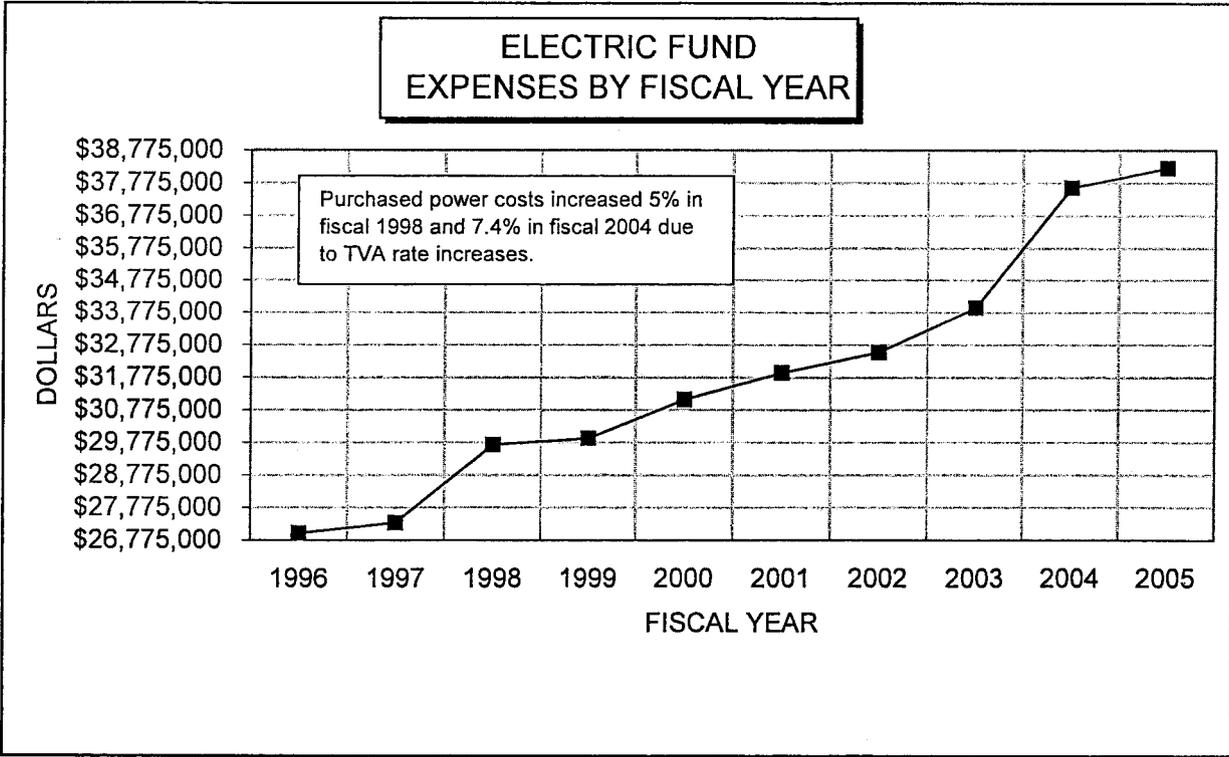
00020 Electric Fund

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	358,980	379,635	379,635	387,729	8,094	2.1
5141. Social Security	74,211	89,120	89,120	89,175	55	.1
5150. Retirement	85,812	103,220	103,220	110,100	6,880	6.7
5160. Health Insurance	113,724	145,202	145,202	148,585	3,383	2.3
Total Personal Services	632,727	717,177	717,177	735,589	18,412	2.6
Contractual Services						
5201. Rents	855,889	739,378	739,378	739,378	0	.0
5205. Printing & Dup. Charges	0	1,500	1,500	1,500	0	.0
5206. Mailing & Delivery	0	3,500	3,500	3,500	0	.0
5207. Dues, Memberships & Sub.	16,880	25,680	25,680	25,680	0	.0
5210. Prof. & Contractual Ser.	29,549	75,270	77,440	74,520	750-	1.0-
5211. Advertising & Publicity	0	1,000	1,000	1,000	0	.0
5212. Utility Services	32,772	35,160	37,800	37,950	2,790	7.9
5220. Travel, Schools, & Conf.	28,662	31,300	31,300	31,300	0	.0
5235. Routine Rep. & Maint.	1,021,431	1,173,305	1,172,955	1,193,095	19,790	1.7
5262. Nonroutine Rep. & Maint.	311,128	348,000	348,000	348,000	0	.0
5289. Equipment Use Charge	7,412	11,000	11,000	11,000	0	.0
Total Contractual Services	2,303,723	2,445,093	2,449,553	2,466,923	21,830	.9
Commodities						
5310. Materials-Tools-Supplies	15,581	18,650	18,650	18,650	0	.0
5320. Books/Education Material	2,373-	11,000	11,000	11,000	0	.0
5325. Uniforms/Safety Equip.	17,769	26,540	25,540	25,540	1,000-	3.8-
Total Commodities	30,977	56,190	55,190	55,190	1,000-	1.8-
Other Charges						
5410. Insurance	28,860	30,420	30,420	44,862	14,442	47.5
5420. Litigation/Judicial Cost	570	500	500	500	0	.0
5431.3 Economic Development/TVA	30-	13,000	13,000	13,000	0	.0
5439. Debt Service	727,663	900,000	826,340	810,140	89,860-	10.0-
5455. Bad Debt	102,000	100,000	100,000	100,000	0	.0
5456. Collection Fees	9,005	12,900	12,900	12,900	0	.0
5460. Depreciation	1,403,853	1,595,000	1,635,712	1,647,498	52,498	3.3
5460.10 Amort. Electric Plant	11,081	0	11,081	11,081	11,081	.0
5460.30 Amortization Debt Exp.	18,157	0	23,890	24,000	24,000	.0
5465. Purchased Power TVA	26,066,753	30,132,000	29,250,000	29,468,300	663,700-	2.2-
5470. Ser. from General Fund	1,094,335	1,142,236	1,101,863	1,240,208	97,972	8.6
5490. Tax Equivalents	1,489,615	1,565,000	1,423,611	1,608,628	43,628	2.8
Total Other Charges	30,951,862	35,491,056	34,429,317	34,981,117	509,939-	1.4-
TOTAL GROSS EXPENDITURES						
	33,919,289	38,709,516	37,651,237	38,238,819	470,697-	1.2-
Reduction of Costs						
5610. Recovered from Users	3,142-	10,500-	10,500-	10,500-	0	.0
Total Reduction of Costs	3,142-	10,500-	10,500-	10,500-	0	.0
TOTAL NET EXPENDITURES	33,916,147	38,699,016	37,640,737	38,228,319	470,697-	1.2-

ELECTRIC DEPARTMENT	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHANGE
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ELECTRIC FUND

Purchased Power	26,066,753	30,132,000	29,250,000	29,468,300	(663,700)	-2.2
Other Expenses (Depreciation, Tax Equivalent & Interest Expense)	3,632,212	4,060,000	3,896,744	4,077,347	17,347	0.4
Substation Costs	151,585	211,378	214,181	208,421	(2,957)	-1.4
Line Maintenance	1,049,170	1,111,312	1,113,164	1,124,951	13,639	1.2
Street Lighting/Traffic Signals	193,448	261,508	261,541	261,581	73	0.0
General and Administration	2,823,008	2,922,818	2,905,107	3,087,719	164,901	5.6
TOTAL EXPENSES	33,916,176	38,699,016	37,640,737	38,228,319	(470,697)	-1.2
Capital Projects	2,892,715	5,900,000	2,350,000	5,300,000	(600,000)	-10.2
Equipment	233,950	202,500	199,364	356,000	153,500	75.8
TOTAL CAPITAL	3,126,665	6,102,500	2,549,364	5,656,000	(446,500)	-7.3
TOTAL EXPENSES & CAPITAL	37,042,841	44,801,516	40,190,101	43,884,319	(917,197)	-2.0



ELECTRIC FUND

CAPITAL PROJECTS AND EQUIPMENT

	<u>BUDGET</u> 2004	<u>PROJECTED</u> 2004	<u>BUDGET</u> 2005
<u>CAPITAL PROJECTS:</u>			
Rutgers Ave at Manhattan Ave	\$ -	\$ -	\$ 70,000
State Route 95/58 Road Improvements	2,570,000	20,000	2,550,000
West End / Rarity Ridge Backbone	400,000	200,000	200,000
Street Lighting Improvements	30,000	30,000	30,000
Facilities Expansion for New Loads and Services	600,000	400,000	580,000
Distribution System Improvements	350,000	350,000	650,000
Underground Cable Replacement	750,000	150,000	-
Traffic Signal Improvements/Public & Private Lt Mtn	110,000	110,000	130,000
Transmission System Improvements	140,000	140,000	140,000
Routine Expansion, Maintenance, Replacement and Minor Additions (including Transformers)	950,000	950,000	950,000
TOTAL CAPITAL PROJECTS	\$ 5,900,000	\$ 2,350,000	5,300,000
<u>EQUIPMENT</u>			
Furniture Purchases	\$ 1,000	\$ 1,000	1,000
Hand-Held & 2-Way Radio Replacement	6,000	6,000	10,000
Underground Equipment	6,000	6,000	6,000
Electronic Equipment (Cable Fault Locator FY02)	7,500	7,500	7,500
Conflict Monitor Tester	10,000	10,000	-
Electric Meter Tester	12,000	21,000	-
System Phase I.D. Equipment	-	-	22,500
Automatic External Defibrillator (x 7 @\$3,000)	21,000	21,000	-
Bucket Loader with Backhoe (434)	42,000	-	42,000
Bucket Loader with Backhoe (441)	45,000	-	45,000
GMC Sierra Utility Truck (380)	26,000	78,960	-
GMC Sierra Utility Truck (381)	26,000	47,904	-
Ford 6 Ton Twin Bucket (359)	-	-	140,000
Butler Trailer with 4 Reels (385)	-	-	35,000
Ford F450 Dump Truck (387)	-	-	47,000
TOTAL EQUIPMENT	\$ 202,500	\$ 199,364	356,000
TOTAL CAPITAL PROJECTS & EQUIPMENT	\$ 6,102,500	\$ 2,549,364	5,656,000

ELECTRIC FUND
LONG-TERM DEBT AMORTIZATION SCHEDULE
ESTIMATED AT 6/30/04

Fiscal Year	Principal	Interest	Total Requirements
2005	820,000	810,140	1,630,140
2006	835,000	793,740	1,628,740
2007	850,000	768,690	1,618,690
2008	880,000	743,190	1,623,190
2009	900,000	716,790	1,616,790
2010	930,000	685,290	1,615,290
2011	965,000	652,740	1,617,740
2012	1,000,000	614,140	1,614,140
2013	1,010,000	564,140	1,574,140
2014	1,095,000	513,640	1,608,640
2015	925,000	469,840	1,394,840
2016	960,000	432,840	1,392,840
2017	290,000	393,534	683,534
2018	305,000	382,467	687,467
2019	580,000	370,018	950,018
2020	615,000	347,869	962,869
2021	650,000	324,390	974,390
2022	690,000	299,565	989,565
2023	735,000	273,204	1,008,204
2024	775,000	245,149	1,020,149
2025	825,000	215,543	1,040,543
2026	870,000	184,053	1,054,053
2027	925,000	150,821	1,075,821
2028	980,000	115,499	1,095,499
2029	1,040,000	78,072	1,118,072
2030	1,100,000	38,364	1,138,364
Total	\$21,550,000	\$11,183,728	\$32,733,728

Waterworks Fund

Fund Overview:

The Waterworks Fund provides water treatment and distribution and wastewater collection and treatment within Oak Ridge. Fund activities include the sale of water and maintenance of reservoirs, distribution mains, booster stations, water and wastewater treatment plants and wastewater package plant. Water and wastewater operations are under the supervision of the Public Works Department. The Public Works Department consists of 87 employees and five divisions including Supervision/Administration, Engineering, Wastewater Treatment, Water Treatment, Equipment and Fleet Maintenance, and Work Pool. There are 11 employees that conduct water treatment functions, 16 employees in wastewater treatment and 44 employees in the Work Pool. Costs for employees in the Work Pool are charged out to the applicable City Fund based on the actual jobs performed. A major portion of the jobs the Work Pool performs is maintenance to water and wastewater systems.

Water Operations

From incorporation of the City through April 30, 2000, the City purchased treated water from the US Department of Energy (DOE) for sale to residential and commercial entities within Oak Ridge, excluding the DOE plants. On May 1, 2000, the City acquired the water treatment plant from DOE and assumed responsibility for water plant operations. The City entered into a 10-year contract for the sale of water to DOE's X-10 and Y-12 facilities in exchange for the plant. The plant has a treatment capacity of approximately 27 MGD and is operated by a staff of 11 employees. Water sales to DOE comprise approximately 36% of all water sales revenues.

Maintenance of the water distribution system is performed by the Work Pool Division and involves maintaining approximately 222 miles of water main piping, 2,489 fire hydrants, 4,600 main valves, 9,040 service laterals, 12,199 water meters, four elevated water storage tanks, two in-ground reservoirs, 11 water pumping stations, and 76 main pressure reducing valves.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
Miles of mains	222	225	222	225
Maintenance (hours)	11,985	12,500	10,100	12,500
Fire Hydrants (each)	2,489	2,500	2,500	2,500
Maintenance (hours)	53	200	173	200
Service line maintenance (hours)	1,045	1,000	400	1,000
Booster stations maintenance (hours)	2,743	2,500	2,200	2,500
Water meters installed (each)	12,199	12,400	12,400	12,400

Wastewater Operations

The wastewater system consists of two treatment facilities operated by the Wastewater Treatment Division and approximately 240 miles of collection system piping maintained by the Work Pool Division. The 6.0 MGD main treatment plant provides primary and secondary treatment for all of the developed areas of the City and the Y-12 plant. The package plant treats wastes from the industries located in the Clinch River Industrial Park. During fiscal 2003, the main treatment plant treated approximately 2.23 billion gallons of wastewater and the package plant about 2.4 million gallons. A major goal of this activity is to meet the National Pollutant Discharge Elimination System (NPDES)

permit for plant effluent and to protect the environment from industrial wastewater pollutants in a cost-effective manner.

The City's major wastewater customer is the Y-12 plant whose consumption is nearly 20% of total billed wastewater consumption and equates to 40%-50% of all residential consumption combined in any given month.

The Wastewater Treatment Plant maintenance staff maintains 28 wastewater-pumping stations, two raw water intake pump stations and a raw water booster pumping station. The Work Pool wastewater tasks include sludge hauling, road maintenance, maintenance of mains, laterals, and taps as well as installation of new connections and extensions, lateral lines and maintenance of approximately 2,470 manholes.

In fiscal year 1995, the Department initiated a multi-year program to rehabilitate the collection system and upgrade the wastewater treatment plant. Total cost of the program was estimated at \$29 million. The upgrade and expansion to the wastewater treatment plant is virtually complete at a cost of about \$13 million. Since fiscal 1996, approximately \$15 million has been spent on the collection system with \$1,540,000 in collection system capital maintenance and improvements budgeted for fiscal 2005. Maintenance of the collection system will be an ongoing annual program.

PERFORMANCE MEASURES	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005
West End Sewer Plant				
Water treated - gallons (billions)	2.23	2.1	1.94	2.1
Average reduction of B. O. D.	98%	98%	96%	98%
NPDES Effluent Permit Violations	4	0	1	0
Collection System				
Miles of sewer mains	240	240	240	243
Sewer maintenance - staff hours	11,094	15,000	12,560	12,500
Customers	11,683	11,700	11,700	11,700

Major Revenue Source:

Waterworks revenues are projected to decrease overall by \$107,160, down .08%, to align revenues with recent actual collection patterns. Revenues have remained flat the past two years, primarily due to summers with higher than normal rainfalls. Monthly billings to customers for wastewater usage are based on metered water consumption. Therefore, the revenue patterns will be the same for both water and wastewater usage. Weather, in the form of drought or high rainfall conditions, can significantly impact the revenue collections in any particular fiscal year.

Major Expenditure Areas:

Waterworks operating expenses are projected to decrease \$31,856 or .2%. The budget for utilities increased \$126,545 primarily due to the 7.4% TVA electric rate increase effective October 1, 2003. Tax equivalent payments to the General Fund and Depreciation are projected to decrease \$30,601 and \$220,000, respectively, to align the budget with actual charges. These costs are based on net asset value, with the reduction related to the completion of major capital projects. Interest expense is budgeted to decrease \$108,312 due to a debt restructuring in fiscal 2003.

Operating Transfers Out totaled \$116,900, a \$2,404 increase over the prior fiscal year. This transfer is to fund activities accounted for in the Economic Diversification Fund, for economic development functions in fiscal 2005.

Capital Projects, Water and Wastewater Rates and Long-Term Debt

For accounting purposes, the operations of the water and wastewater systems are combined into one Fund, the Waterworks Fund. Costs for the two systems are tracked separately and user rates are established based on the operations of the individual systems. Therefore, the water user rates are based on the operations of the water treatment and distribution system and the wastewater user rates are based on the operations of the wastewater collection and treatment system.

Biennially, the City reviews its rate structure for water and wastewater services. The last review was in the spring of 2002. On August 1, 2002, wastewater rates for residential customers increased approximately 11% and rates charged to commercial customers approximately 17%. This rate increase was due to the nearly completed major upgrade and expansion to the wastewater treatment plant and ongoing rehabilitation of the wastewater collection system. The full rate impact of these improvements is being spread over several rate review cycles. Additional wastewater user rate increases are anticipated due to this major capital maintenance project. Water rates remained unchanged due to the acquisition of the water plant and the resulting cost reduction to obtain treated water. The last water rate increase was effective May 1, 1998. The next rate review is scheduled for spring/summer 2005.

Capital improvements are the major driver for water and wastewater user rate increases. Capital improvements impact user rates from increased expenses for depreciation and tax equivalent payments based on higher asset values, and the need for sufficient cash levels to fund principal and interest payments on long-term debt issued to finance the projects. A listing of water capital improvements planned for fiscal 2005 totaling \$5,171,500 is located on page IV-17 of this document and wastewater capital projects totaling \$2,639,500 on page IV-21. A more in-depth presentation of planned Waterworks Fund capital projects is located in the Capital Improvements Program 2005-2010 document.

An updated amortization schedule as of June 30, 2004 for the Waterworks Fund \$24,690,673 in outstanding long-term debt is on page IV-15. The \$4,385,739 in outstanding variable interest rate debt is projected at a 3.8% interest rate. Approximately 80% of the Waterworks Fund outstanding long-term debt is for wastewater projects. The amortization schedule for long-term debt issued for water projects is on page IV-18 and wastewater projects on page IV-22. The City currently has \$7,000,000 available from the State Revolving Loan Fund to finance the continuation of the wastewater treatment plant and collection system capital projects through fiscal 2009. \$1,231,996 is available for draw from a loan through the TMBF to finance future water or wastewater capital. As these funds are drawn to finance capital improvements, this will impact future water and wastewater user rates. The annual debt service payments on the outstanding Waterworks Fund debt will be funded through the revenues generated by the water and wastewater systems. The City's taxing authority is also pledged as an additional security on this outstanding debt. It is not anticipated that the City's taxing authority would ever be utilized to generate cash to pay the annual debt service on Waterworks Fund debt.

WATERWORKS FUND

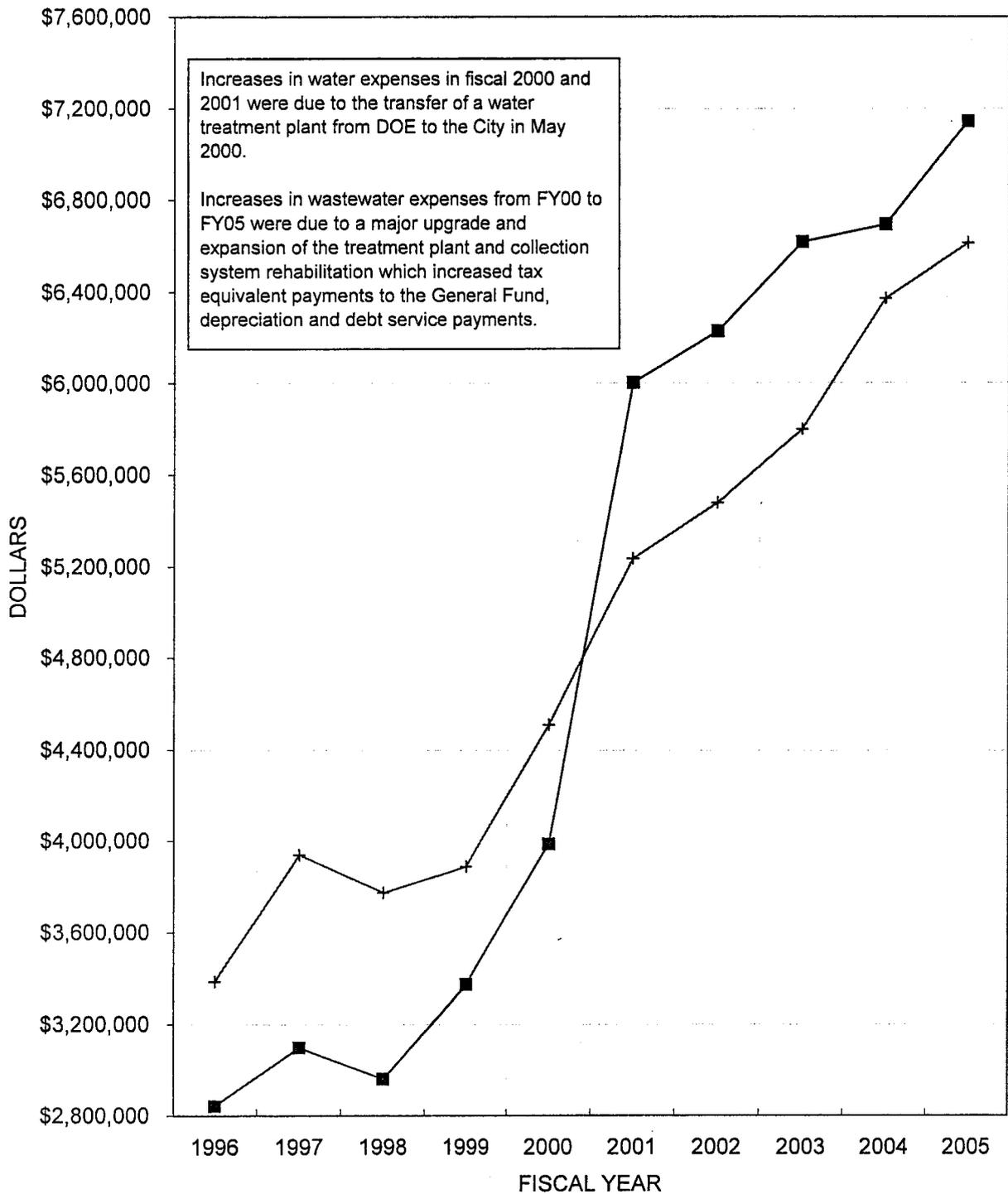
PROJECTED STATEMENT OF REVENUE AND EXPENSES

	ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
<u>OPERATING REVENUES:</u>						
4021 Residential Water Sales and Wastewater Fees	4,812,454	5,312,600	4,875,000	5,235,000	(77,600)	-1.5
4022 Commercial Water Sales and Wastewater Fees	4,559,887	4,910,100	4,550,000	4,820,000	(90,100)	-1.8
4024 DOE Treated Water Sales	1,666,317	1,790,000	1,700,000	1,790,000	0	0.0
4025 COR Treated Water Sales	981,383	1,021,500	928,750	1,030,010	8,510	0.8
4026 DOE Raw Water Sales	304,554	302,000	310,000	315,000	13,000	4.3
4023 Public Fire Protection	43,645	43,620	42,850	42,850	(770)	-1.8
4041 Forfeited Discounts	104,104	91,225	92,725	93,525	2,300	2.5
4791 Capital Contributions	903,922	200,000	240,000	240,000	40,000	100.0
Total Operating Revenues	<u>13,376,266</u>	<u>13,671,045</u>	<u>12,739,325</u>	<u>13,566,385</u>	<u>(104,660)</u>	<u>-0.8</u>
<u>OPERATING EXPENSES:</u>						
5460 Depreciation	2,530,532	2,890,000	2,610,500	2,670,000	(220,000)	-7.6
5492 Tax Equivalent	1,299,891	1,311,396	1,289,064	1,280,795	(30,601)	-2.3
5466 Purchased Water	1,005,251	1,058,200	963,750	1,059,600	1,400	0.1
5000 Operating Expenses						
Water	3,716,104	3,834,097	3,716,762	3,972,122	138,025	3.6
Wastewater	3,039,616	3,618,466	3,578,208	3,806,098	187,632	5.2
Total Operating Expenses	<u>11,591,394</u>	<u>12,712,159</u>	<u>12,158,284</u>	<u>12,788,615</u>	<u>76,456</u>	<u>0.6</u>
Operating Income (Loss)	1,784,872	958,886	581,041	777,770	(181,116)	-18.9
<u>NONOPERATING REVENUES (EXPENSES)</u>						
4810 Interest Revenue	4,654	7,000	4,000	4,500	(2,500)	-35.7
5439 Interest Expense	(822,730)	(1,075,000)	(906,012)	(966,688)	108,312	-10.1
Total Nonoperating Revenues (Expenses)	<u>(818,076)</u>	<u>(1,068,000)</u>	<u>(902,012)</u>	<u>(962,188)</u>	<u>105,812</u>	<u>-9.9</u>
Net Income (Loss) Before Operating Transfers	966,796	(109,114)	(320,971)	(184,418)	(75,304)	69.0
<u>OPERATING TRANSFERS</u>						
Operating Transfers Out	<u>(183,966)</u>	<u>(114,496)</u>	<u>(114,496)</u>	<u>(116,900)</u>	<u>(2,404)</u>	<u>2.1</u>
Net Income (Loss)	782,830	(223,610)	(435,467)	(301,318)	(77,708)	-34.8
RETAINED EARNINGS - 7/1	<u>9,655,323</u>	<u>9,950,356</u>	<u>10,438,153</u>	<u>10,002,686</u>	<u>52,330</u>	<u>0.5</u>
RETAINED EARNINGS - 6/30	<u>10,438,153</u>	<u>9,726,746</u>	<u>10,002,686</u>	<u>9,701,368</u>	<u>(25,378)</u>	<u>-0.3</u>

City of Oak Ridge, Tennessee
Activity Detail
Waterworks Fund

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	977,390	1,040,713	1,055,600	1,092,228	51,515	4.9
5131. Regular Overtime Pay	41,635	60,000	52,000	60,000	0	.0
5141. Social Security	77,125	87,052	83,592	86,562	490-	.6-
5150. Retirement	99,565	100,821	100,821	128,911	28,090	27.9
5160. Health Insurance	159,283	182,920	182,920	189,004	6,084	3.3
Total Personal Services	1,354,998	1,471,506	1,474,933	1,556,705	85,199	5.8
Contractual Services						
5201. Rents	355,158	396,860	396,860	397,220	360	.1
5206. Mailing & Delivery	0	100	100	100	0	.0
5207. Dues, Memberships & Sub.	22,205	25,691	25,691	25,691	0	.0
5210. Prof. & Contractual Ser.	258,143	313,885	299,855	314,945	1,060	.3
5211. Advertising & Publicity	104	50	50	50	0	.0
5212. Utility Services	1,446,137	1,577,280	1,624,777	1,703,825	126,545	8.0
5220. Travel, Schools, & Conf.	10,267	11,000	11,000	11,000	0	.0
5235. Routine Rep. & Maint.	1,539,342	1,709,391	1,628,791	1,700,851	8,540-	.5-
5262. Nonroutine Rep. & Maint.	45,845	500	500	500	0	.0
5289. Equipment Use Charge	85,392	112,390	112,390	112,390	0	.0
Total Contractual Services	3,762,593	4,147,147	4,100,014	4,266,572	119,425	2.9
Commodities						
5310. Materials-Tools-Supplies	334,275	476,550	404,550	443,950	32,600-	6.8-
5320. Books/Education Material	1,140	7,100	7,100	7,100	0	.0
5325. Uniforms/Safety Equip.	13,377	15,820	15,820	15,970	150	.9
Total Commodities	348,792	499,470	427,470	467,020	32,450-	6.5-
Other Charges						
5410. Insurance	127,902	134,186	134,186	200,275	66,089	49.3
5439. Debt Service	822,731	1,075,000	939,015	966,688	108,312-	10.1-
5455. Bad Debt	36,000	36,000	36,000	36,000	0	.0
5460. Depreciation	2,530,532	2,890,000	2,610,500	2,670,000	220,000-	7.6-
5460.30 Amortization Debt Exp.	5,974	4,683	6,783	7,183	2,500	53.4
5466. Purchased Water	1,005,251	1,058,200	963,750	1,059,600	1,400	.1
5470. Ser. from General Fund	1,395,385	1,460,571	1,391,781	1,555,465	94,894	6.5
5490. Tax Equivalents	1,299,891	1,311,396	1,290,864	1,280,795	30,601-	2.3-
Total Other Charges	7,223,666	7,970,036	7,372,879	7,776,006	194,030-	2.4-
TOTAL GROSS EXPENDITURES	12,690,049	14,088,159	13,375,296	14,066,303	21,856-	.2-
Reduction of Costs						
5610. Recovered from Users	275,922-	301,000-	311,000-	311,000-	10,000-	3.3
Total Reduction of Costs	275,922-	301,000-	311,000-	311,000-	10,000-	3.3
TOTAL NET EXPENDITURES	12,414,127	13,787,159	13,064,296	13,755,303	31,856-	.2-

WATERWORKS FUND EXPENSES BY FISCAL YEAR



■ WATER
 + WASTEWATER TREATMENT

WATERWORKS FUND
LONG-TERM DEBT AMORTIZATION SCHEDULE
ESTIMATED AT 6/30/04

Fiscal Year	Principal	Interest	Total Requirements
2005	1,030,367	946,994	1,977,361
2006	1,070,673	911,468	1,982,141
2007	1,111,576	874,607	1,986,183
2008	1,164,590	835,179	1,999,769
2009	1,207,675	792,160	1,999,835
2010	1,247,943	747,503	1,995,446
2011	1,281,984	699,158	1,981,142
2012	1,340,040	648,971	1,989,011
2013	1,394,392	594,434	1,988,826
2014	1,445,088	537,687	1,982,775
2015	1,503,176	478,989	1,982,165
2016	1,557,720	417,850	1,975,570
2017	1,278,770	353,730	1,632,500
2018	1,341,114	301,683	1,642,797
2019	1,406,681	247,124	1,653,805
2020	1,475,628	189,908	1,665,536
2021	1,548,191	129,924	1,678,115
2022	1,624,609	67,028	1,691,637
2023	660,456	18,660	679,116
Total	\$24,690,673	\$ 9,793,057	\$34,483,730

City of Oak Ridge, Tennessee
Activity Detail
Water Fund

00021 Water Fund

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	443,139	385,782	399,646	416,600	30,818	8.0
5131. Regular Overtime Pay	11,811	20,000	12,000	20,000	0	.0
5141. Social Security	33,865	31,040	30,430	33,400	2,360	7.6
5150. Retirement	41,110	35,950	35,950	48,785	12,835	35.7
5160. Health Insurance	68,283	77,075	77,075	79,649	2,574	3.3
Total Personal Services	598,208	549,847	555,101	598,434	48,587	8.8
Contractual Services						
5201. Rents	215,112	215,920	215,920	215,920	0	.0
5206. Mailing & Delivery	0	100	100	100	0	.0
5207. Dues, Memberships & Sub.	12,782	12,650	12,650	12,650	0	.0
5210. Prof. & Contractual Ser.	161,904	159,825	153,750	160,515	690	.4
5212. Utility Services	948,636	966,390	1,005,690	1,027,090	60,700	6.3
5220. Travel, Schools, & Conf.	6,298	5,000	5,000	5,000	0	.0
5235. Routine Rep. & Maint.	933,533	1,013,735	963,735	995,195	18,540-	1.8-
5262. Nonroutine Rep. & Maint.	9,900	500	500	500	0	.0
5289. Equipment Use Charge	16,856	24,750	24,750	24,750	0	.0
Total Contractual Services	2,305,021	2,398,870	2,382,095	2,441,720	42,850	1.8
Commodities						
5310. Materials-Tools-Supplies	195,886	229,550	166,550	196,950	32,600-	14.2-
5320. Books/Education Material	345	5,900	5,900	5,900	0	.0
5325. Uniforms/Safety Equip.	5,992	6,800	6,800	6,800	0	.0
Total Commodities	202,223	242,250	179,250	209,650	32,600-	13.5-
Other Charges						
5410. Insurance	84,989	91,273	91,273	125,950	34,677	38.0
5439. Debt Service	109,319	260,000	191,012	243,687	16,313-	6.3-
5455. Bad Debt	18,000	24,000	24,000	24,000	0	.0
5460. Depreciation	1,209,641	1,210,000	1,245,500	1,285,000	75,000	6.2
5460.30 Amortization Debt Exp.	3,068	2,000	4,100	4,500	2,500	125.0
5466. Purchased Water	1,005,251	1,058,200	963,750	1,059,600	1,400	.1
5470. Ser. from General Fund	741,390	775,857	740,943	827,868	52,011	6.7
5490. Tax Equivalents	577,858	591,605	576,950	582,165	9,440-	1.6-
Total Other Charges	3,749,516	4,012,935	3,837,528	4,152,770	139,835	3.5
TOTAL GROSS EXPENDITURES	6,854,968	7,203,902	6,953,974	7,402,574	198,672	2.8
Reduction of Costs						
5610. Recovered from Users	236,795-	250,000-	260,000-	260,000-	10,000-	4.0
Total Reduction of Costs	236,795-	250,000-	260,000-	260,000-	10,000-	4.0
TOTAL NET EXPENDITURES	6,618,173	6,953,902	6,693,974	7,142,574	188,672	2.7

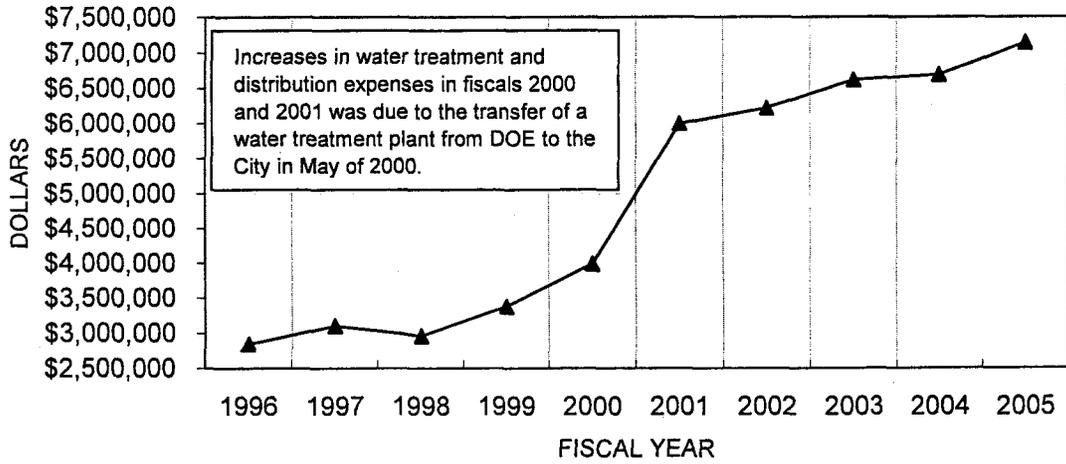
WATER CAPITAL PROJECTS AND EQUIPMENT

	BUDGET 2004	PROJECTED 2004	BUDGET 2005
<u>CAPITAL PROJECTS:</u>			
Soccer Complex	\$ 15,000	\$ -	\$ 15,000
Rutgers Ave at Manhattan Ave	12,500	12,500	2,500
West End Development - Water /Rarity Grant match	600,000	300,000	900,000
Booster Station Improvements	50,000	50,000	50,000
Water Distribution System Rehabilitation	850,000	743,000	750,000
SR95 Water Line Relocation	1,540,000	40,000	1,500,000
Water Treatment Plant	-	-	1,100,000
Capital Improvements	300,000	300,000	-
Tank Inspection/Repainting	240,000	100,000	-
Filter Controls	500,000	500,000	500,000
Capital Maintenance	300,000	300,000	300,000
TOTAL CAPITAL PROJECTS	<u>\$ 4,407,500</u>	<u>\$ 2,345,500</u>	<u>\$ 5,117,500</u>
<u>EQUIPMENT:</u>			
Radio Equipment	\$ 7,500	\$ 7,500	\$ 7,500
Water Treatment Plant			
Radio	3,000	3,000	3,000
Furniture	1,500	1,500	1,500
Laboratory Equipment	2,500	2,500	2,500
Plant Tools	2,500	2,500	2,500
Pickup Truck (replaces 233)	27,000	15,755	-
Pickup Truck (replaces 234)	27,000	15,755	-
Pickup Truck (replaces 239)	37,000	-	37,000
TOTAL EQUIPMENT	<u>\$ 108,000</u>	<u>\$ 48,510</u>	<u>\$ 54,000</u>
TOTAL CAPITAL PROJECTS & EQUIPMENT	<u>\$ 4,515,500</u>	<u>\$ 2,394,010</u>	<u>\$ 5,171,500</u>

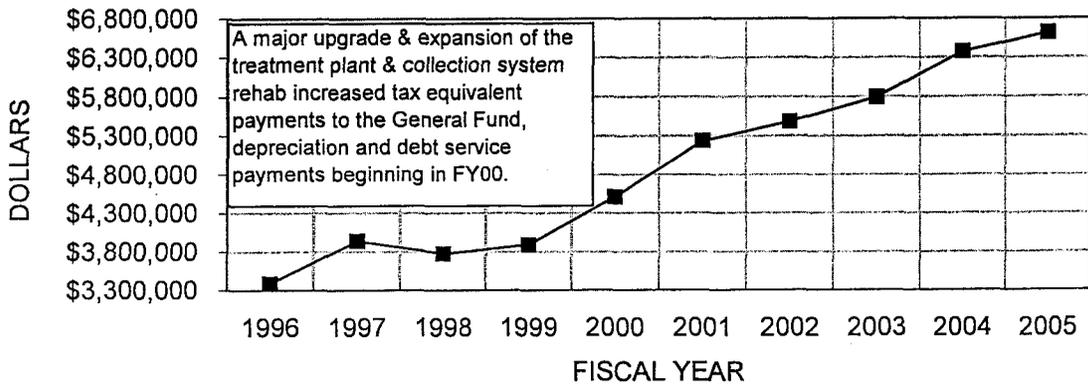
WATERWORKS FUND
WATER
LONG-TERM DEBT AMORTIZATION SCHEDULE
ESTIMATED AT 6/30/04

Fiscal Year	Principal	Interest	Total Requirements
2005	266,801	175,321	442,122
2006	277,389	167,695	445,084
2007	287,566	159,826	447,392
2008	303,416	151,507	454,923
2009	313,639	141,954	455,593
2010	319,881	132,064	451,945
2011	318,720	120,874	439,594
2012	334,956	109,290	444,246
2013	348,883	96,146	445,029
2014	360,501	82,460	442,961
2015	375,428	68,430	443,858
2016	382,668	53,746	436,414
2017	119,418	38,811	158,230
2018	127,784	34,241	162,025
2019	136,732	29,351	166,083
2020	146,293	24,118	170,411
2021	156,528	18,520	175,048
2022	167,498	12,529	180,028
2023	179,204	6,119	185,323
Total	<u>\$ 4,923,305</u>	<u>\$ 1,623,003</u>	<u>\$ 6,546,308</u>

**WATERWORKS FUND
WATER TREATMENT & DISTRIBUTION EXPENSES**



**WATERWORKS FUND
WASTEWATER TREATMENT EXPENSES**



City of Oak Ridge, Tennessee
Activity Detail
Wasterwater Fund

00022 Wastewater Treatment Fund

	ACTUAL FY 2003	BUDGET FY 2004	PROJECTED FY 2004	BUDGET FY 2005	BUDGET 05 vs 04	% CHG
Personal Services						
5111. Salaries-Reg. Employees	534,251	654,931	655,954	675,628	20,697	3.2
5131. Regular Overtime Pay	29,824	40,000	40,000	40,000	0	.0
5141. Social Security	43,260	56,012	53,162	53,162	2,850-	5.1-
5150. Retirement	58,455	64,871	64,871	80,126	15,255	23.5
5160. Health Insurance	90,999	105,845	105,845	109,355	3,510	3.3
Total Personal Services	756,789	921,659	919,832	958,271	36,612	4.0
Contractual Services						
5201. Rents	140,046	180,940	180,940	181,300	360	.2
5207. Dues, Memberships & Sub.	9,423	13,041	13,041	13,041	0	.0
5210. Prof. & Contractual Ser.	96,239	154,060	146,105	154,430	370	.2
5211. Advertising & Publicity	104	50	50	50	0	.0
5212. Utility Services	497,501	610,890	619,087	676,735	65,845	10.8
5220. Travel, Schools, & Conf.	3,969	6,000	6,000	6,000	0	.0
5235. Routine Rep. & Maint.	605,809	695,656	665,056	705,656	10,000	1.4
5262. Nonroutine Rep. & Maint.	35,945	0	0	0	0	.0
5289. Equipment Use Charge	68,536	87,640	87,640	87,640	0	.0
Total Contractual Services	1,457,572	1,748,277	1,717,919	1,824,852	76,575	4.4
Commodities						
5310. Materials-Tools-Supplies	138,389	247,000	238,000	247,000	0	.0
5320. Books/Education Material	795	1,200	1,200	1,200	0	.0
5325. Uniforms/Safety Equip.	7,385	9,020	9,020	9,170	150	1.7
Total Commodities	146,569	257,220	248,220	257,370	150	.1
Other Charges						
5410. Insurance	42,913	42,913	42,913	74,325	31,412	73.2
5439. Debt Service	713,411	815,000	748,003	723,001	91,999-	11.3-
5455. Bad Debt	18,000	12,000	12,000	12,000	0	.0
5460. Depreciation	1,320,891	1,680,000	1,365,000	1,385,000	295,000-	17.6-
5460.30 Amortization Debt Exp.	2,906	2,683	2,683	2,683	0	.0
5470. Ser. from General Fund	653,995	684,714	650,838	727,597	42,883	6.3
5490. Tax Equivilents	722,033	719,791	713,914	698,630	21,161-	2.9-
Total Other Charges	3,474,149	3,957,101	3,535,351	3,623,236	333,865-	8.4-
TOTAL GROSS EXPENDITURES	5,835,079	6,884,257	6,421,322	6,663,729	220,528-	3.2-
Reduction of Costs						
5610. Recovered from Users	39,127-	51,000-	51,000-	51,000-	0	.0
Total Reduction of Costs	39,127-	51,000-	51,000-	51,000-	0	.0
TOTAL NET EXPENDITURES	5,795,952	6,833,257	6,370,322	6,612,729	220,528-	3.2-

WASTEWATER TREATMENT CAPITAL PROJECTS AND EQUIPMENT

	<u>BUDGET</u> 2004	<u>PROJECTED</u> 2004	<u>BUDGET</u> 2005
<u>CAPITAL PROJECTS:</u>			
Soccer Complex	\$ 15,000	\$ -	\$ 15,000
Rutgers Ave at Manhattan Ave	35,000	-	10,000
West End Development-Rarity wwtp	500,000	100,000	500,000
Wastewater Treatment Plant Maintenance	100,000	100,000	150,000
Sewer Line Rehabilitation	1,200,000	500,000	1,200,000
Lift Station Replacement/Improvements	275,000	150,000	300,000
Lift Station Capital Maintenance	40,000	40,000	40,000
SR95/58 Sewer Line Relocation	255,000	255,000	295,000
TOTAL CAPITAL PROJECTS	<u>\$2,420,000</u>	<u>\$1,145,000</u>	<u>\$2,510,000</u>
<u>EQUIPMENT:</u>			
Radio Equipment	\$ 8,000	\$ 8,000	\$ 8,000
Lab Equipment	1,500	1,500	1,500
Plant Tools	2,500	2,500	2,500
Furniture	500	500	500
Chevrolet Ext Cab 4WD Truck (200)	-	-	27,000
Sreco Sewer Cleaner (386)	-	-	90,000
TOTAL EQUIPMENT	<u>\$ 12,500</u>	<u>\$ 12,500</u>	<u>\$ 129,500</u>
TOTAL CAPITAL PROJECTS & EQUIPMENT	<u><u>\$2,432,500</u></u>	<u><u>\$1,157,500</u></u>	<u><u>\$2,639,500</u></u>

WATERWORKS FUND
WASTEWATER
LONG-TERM DEBT AMORTIZATION SCHEDULE
ESTIMATED AT 6/30/04

Fiscal Year	Principal	Interest	Total Requirements
2005	763,566	771,673	1,535,239
2006	793,284	743,773	1,537,057
2007	824,010	714,781	1,538,791
2008	861,174	683,672	1,544,846
2009	894,036	650,206	1,544,242
2010	928,062	615,439	1,543,501
2011	963,264	578,284	1,541,548
2012	1,005,084	539,681	1,544,765
2013	1,045,509	498,288	1,543,797
2014	1,084,587	455,227	1,539,814
2015	1,127,748	410,559	1,538,307
2016	1,175,052	364,104	1,539,156
2017	1,159,352	314,919	1,474,270
2018	1,213,330	267,442	1,480,772
2019	1,269,949	217,773	1,487,722
2020	1,329,335	165,790	1,495,125
2021	1,391,663	111,404	1,503,067
2022	1,457,111	54,499	1,511,609
2023	481,252	12,541	493,793
Total	\$19,767,368	\$ 8,170,054	\$27,937,422

Emergency Communications District (ECD) Fund

Fund Overview:

In 1972, the City of Oak Ridge implemented a 911 emergency telephone system. In 1987, Oak Ridge voters overwhelmingly approved a referendum to establish an Enhanced 911 emergency communications district (ECD). An ECD Board was established to oversee the management of the district, with system operations commencing in August 1988. Oak Ridge City Council serves as the Board for the Oak Ridge ECD. The initial intent of establishing the ECD was to provide a revenue stream to finance the purchase of equipment, including the 800 MHz trunking radio communications system, to receive and dispatch 911 calls. The 8 Public Safety Dispatcher positions are under the supervision of the Police Department and the operational costs related to those positions are accounted for in activity 915 in the City's General Fund.

The 911 system, with automatic location identifiers (ALI), is called "Stand Alone Location Identification" (SALI) and is capable of providing the following information and reports:

1. Instant display of caller's name, telephone number, address and landmark information;
2. Display of history of calls from calling number; and
3. Management reports (daily and weekly) of 911 calls.

Major Revenue Source:

Revenues are provided from user fees on landline telephones located within Oak Ridge that are collected by the telephone service providers and then remitted to the District. The ECD also receives an allocated share of State collected user fees on wireless telephones. Revenues for FY 2005 are projected at \$429,500, up \$15,154 over the previous year. Since inception of the district, Oak Ridge landline telephone users had paid monthly fees of \$.44 per residential and \$1.33 per business phone line. Effective June 1, 2002, this monthly fee increased to \$.65 and \$2.00 per residential and business phone line, respectively. The rate increase was required due to a lower number of landline telephones in Oak Ridge, particularly business lines as newer business telephone systems allow for more extensions on fewer telephone lines, and increasing costs to operate the 911 equipment. City Council, which also serves as the Board of Directors for the ECD, approved increasing the fee to the state maximum to generate revenues to fund dispatcher salaries accounted for in the General Fund. The maximum user fee allowed under current Tennessee State Law is \$1.50 and \$3.00 monthly for residential and business phones lines respectively. The State 911 Board approved this increase on January 15, 2003.

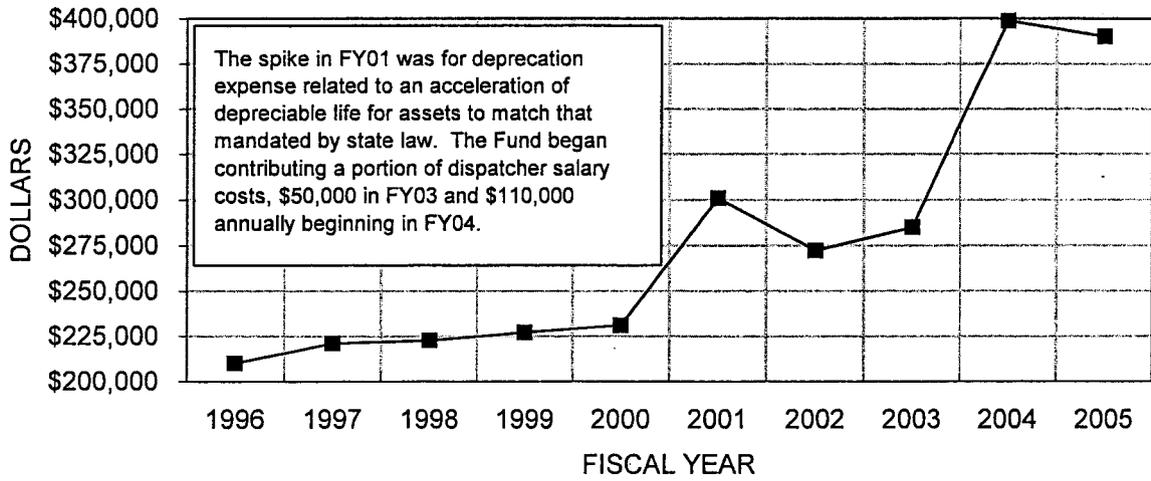
Major Expenditure Areas:

Projected 2005 expenses of \$390,000 include rental payments of \$100,015 to the General Fund for the 800 MHz trunking radio communications system used by police and fire personnel. This rental payment reimburses the General Fund for debt service on long-term debt issued to purchase the 800 MHz system. \$11,652 in rental will be paid to the Equipment Replacement Rental Fund (ERRF) to reimburse the Fund over an eight-year period for 911 related equipment purchased by the ERRF. \$110,000 will be paid to the General Fund for dispatcher salary and benefits. The remaining \$168,333 in projected expenses are for operational costs of the 911 system, including \$45,600 to BellSouth for addressing information and \$56,840 to Motorola for the maintenance contract on the 800 MHz radio system.

**EMERGENCY COMMUNICATIONS DISTRICT FUND
BUDGET SUMMARY**

State Account Number	City Account Number		ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
OPERATING REVENUES:								
3001	4841	Emergency Telephone Service Charge	293,510	374,476	390,000	390,000	15,524	4.1
3002	4841.1	State Emergency Communications Board	40,958	34,445	37,500	37,500	3,055	8.9
Total Operating Revenue			<u>334,468</u>	<u>408,921</u>	<u>427,500</u>	<u>427,500</u>	<u>18,579</u>	<u>4.5</u>
OPERATING EXPENSES:								
4207	5210.20	Contracted Dispatcher Services	0	110,000	110,000	110,000	0	0.0
4201	5217.1	Address/Mapping Expenses (BellSouth)	49,924	51,000	45,564	45,600	(5,400)	-10.6
4218	5236.20	Maintenance Contract (800 MHz Radio System)	54,713	56,000	56,645	56,840	840	1.5
4227	5202.2	Communications Equipment Rental	111,667	111,667	111,667	111,667	0	0.0
4232	5263.19	Maintenance/Repair Communication Equipment	16,513	8,000	21,000	18,000	10,000	125.0
4303	5313	Date Processing Supplies	882	500	500	0	(500)	100.0
4305	5313	Small Equipment Purchases	25,683	25,000	30,000	30,000	5,000	20.0
4310	5217	General Telephone 911 Support Lines	6,486	5,800	7,000	7,000	1,200	20.7
4413	5207.1	Licenses and Fees	0	1,000	2,850	1,000	0	0.0
4419	5221	Due & Subscriptions	0	1,000	0	1,000	0	0.0
4600	5460	Depreciation	19,231	19,000	13,524	8,893	(10,107)	-53.2
Total Operating Expenses			<u>285,099</u>	<u>388,967</u>	<u>398,750</u>	<u>390,000</u>	<u>1,033</u>	<u>0.3</u>
Operating Income (Loss)			49,369	19,954	28,750	37,500	17,546	87.9
NONOPERATING REVENUES:								
5002	4610	Interest Income	1,806	5,425	1,900	2,000	(3,425)	-63.1
Net Income (Loss)			51,175	25,379	30,650	39,500	14,121	55.6
<u>RETAINED EARNINGS - 7/1</u>			<u>197,824</u>	<u>183,179</u>	<u>248,999</u>	<u>279,649</u>	<u>96,470</u>	<u>52.7</u>
<u>RETAINED EARNINGS - 6/30</u>			<u>248,999</u>	<u>208,558</u>	<u>279,649</u>	<u>319,149</u>	<u>110,591</u>	<u>53.0</u>

**EMERGENCY COMMUNICATIONS FUND
EXPENDITURES BY FISCAL YEAR**



Golf Course Fund

Fund Overview:

In fiscal 1995, the City established the Golf Course Fund to account for the construction and operation of a Municipal Golf Course. The City issued \$7,275,000 in Golf Course Revenue and Tax Bonds to finance the construction and equipping of an 18-hole Golf Course, named the Tennessee Centennial Golf Course. The course is located on a 700 acre tract know as "Parcel A" which was purchased by the City from the Department of Energy. The course and range occupiees approximately 192 acres with the remaining 500 acres having been sold by the City to private developers for residential and commercial development. The last 277 acres owed by the City was sold for \$1,750,000 on April 2, 2004 to a private developer who plans to construct a residential and commercial development to be known as Centennial Village.

The Tennessee Centennial Golf Course became operational in late-June 1997. Billy Casper Golf Management is currently under contract for operation and management of the course. Operations of the golf course, as well as proceeds from land sales on Parcel A for residential development are accounted for in the Golf Course Fund.

Major Revenue Source:

Fiscal 2005 revenues are budgeted at \$1,403,285 and expenses budgeted at \$1,656,131, resulting in a projected \$252,846 net loss for the Golf Course Fund. In fiscal 2004, the General Fund transferred 500,000 to the Golf Course Fund to fund the annual debt service payment on the bonds. An operating transfer is not budgeted for fiscal 2005. Annual operating transfers to the Golf Course Fund will resume once all cash in the Golf Course Fund has been exhausted. Cash levels are projected to be approximately \$1.1 million at the end of fiscal 2004. The bonds issued to construct the course are backed by the full faith and credit of the City as well as the proceeds for operation of the course and "Parcel A" land sales. Currently, revenues generated from the operation of the course are not sufficient to fully fund the annual debt service payment. An amortization schedule of the Golf Course Fund's \$6,625,000 in outstanding long-term debt is on page IV-28. During fiscal 2003, the golf course transferred \$160,000 in cash to the Golf Course Fund based on profitable operations. Additional transfers are planned to occur in future fiscal years. These payments will be used to offset future operating transfers that may be required from the General Fund to support the annual debt service payment.

Major Expenditure Areas:

Due to the maturity of the greens and efforts by Billy Casper to maintain costs, projected operating expenses for the Golf Course Fund increased slightly at 1.6% or \$21,645 for fiscal 2005. This increase is related to the replacement of small equipment, such as mowers, required to maintain the course. Funding for equipment leases increased \$9,700 and depreciation charges increased \$14,280. The \$7,500 budgeted for Taxes is the City's final property tax payment to Anderson County on the 277 acres sold by the City to a private developer on April 2, 2004.

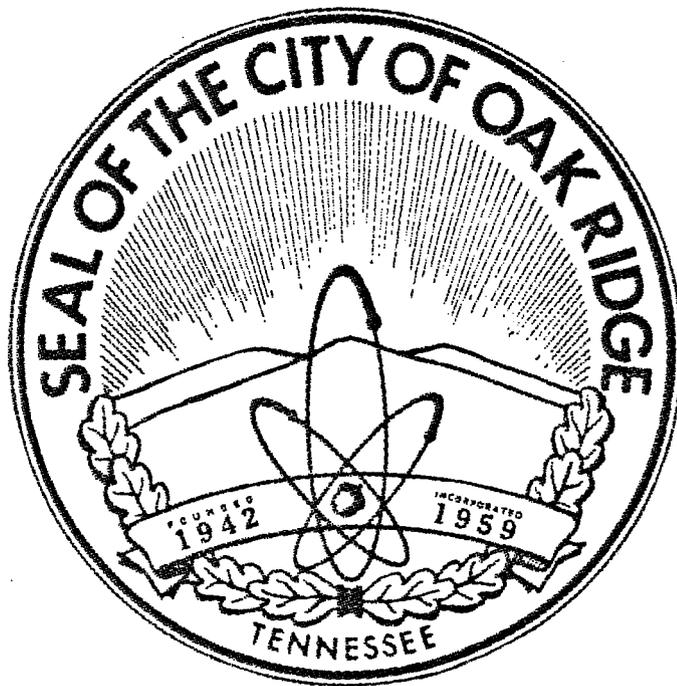
GOLF COURSE FUND

BUDGET SUMMARY

	<u>ACTUAL</u> 2003	<u>BUDGET</u> 2004	<u>PROJECTED</u> 2004	<u>BUDGET</u> 2005	<u>BUDGET</u> 05 vs 04	<u>%</u> <u>CHANGE</u>
<u>OPERATING REVENUES:</u>						
Green Fees	552,612	668,933	554,336	607,811	(61,122)	-9.1
Cart Fees	336,443	372,192	353,393	369,202	(2,990)	-0.8
Pro Shop Sales	95,632	101,390	118,215	117,247	15,857	15.6
Food & Beverage	152,895	162,063	156,743	159,325	(2,738)	-1.7
Misc/Other	26,476	24,138	59,500	97,500	73,362	303.9
Rent	24,000	24,000	24,000	24,000	0	0.0
Total Operating Revenues	<u>1,188,058</u>	<u>1,352,716</u>	<u>1,266,187</u>	<u>1,375,085</u>	<u>22,369</u>	<u>1.7</u>
<u>OPERATING EXPENSES:</u>						
Cost of Goods Sold	149,460	143,201	160,304	147,766	4,565	3.2
Golf Operations	188,353	230,416	194,951	217,168	(13,248)	-5.7
Water Costs	694	1,500	1,500	1,500	0	0.0
Maintenance	412,077	397,051	415,683	396,157	(894)	-0.2
Food & Beverage	70,461	68,663	72,557	68,615	(48)	-0.1
Marketing	25,971	26,282	25,232	26,282	0	0.0
General & Administration	180,290	182,243	173,074	189,533	7,290	4.0
Equipment Leases	46,675	106,960	128,507	116,660	9,700	9.1
Depreciation and Amortization	187,615	160,475	174,755	174,755	14,280	8.9
Taxes	22,368	22,368	22,368	7,500	(14,868)	-66.5
Miscellaneous Expenses	3,605	10,000	500	1,000	(9,000)	-90.0
Total Operating Expenses	<u>1,287,569</u>	<u>1,349,159</u>	<u>1,369,431</u>	<u>1,346,936</u>	<u>(2,223)</u>	<u>-0.2</u>
Operating Income (Loss)	(99,511)	3,557	(103,244)	28,149	24,592	691.4
<u>NONOPERATING REVENUES (EXPENSES):</u>						
Gain on Sale of Assets	30,339	29,792	1,779,901	28,200	(1,592)	-5.3
Operating Transfers In	713,000	500,000	500,000	0	(500,000)	-100.0
Interest Expense	(330,845)	(331,439)	(320,000)	(309,195)	22,244	-6.7
Total Nonoperating Revenues (Expenses)	<u>412,494</u>	<u>198,353</u>	<u>1,959,901</u>	<u>(280,995)</u>	<u>(479,348)</u>	<u>-241.7</u>
Net Income (Loss)	312,983	201,910	1,856,657	(252,846)	(454,756)	-225.2
RETAINED EARNINGS DEFICIT - 7/1	<u>(2,938,618)</u>	<u>(2,553,467)</u>	<u>(2,625,635)</u>	<u>(768,978)</u>	<u>1,784,489</u>	<u>-69.9</u>
RETAINED EARNINGS DEFICIT - 6/30	<u>(2,625,635)</u>	<u>(2,351,557)</u>	<u>(768,978)</u>	<u>(1,021,824)</u>	<u>1,329,733</u>	<u>-56.5</u>

GOLF COURSE FUND
LONG-TERM DEBT AMORTIZATION SCHEDULE
AT JUNE 30, 2004

Fiscal Year	Principal	Interest	Total Requirements
2005	180,000	309,195	489,195
2006	190,000	301,275	491,275
2007	200,000	292,915	492,915
2008	245,000	284,115	529,115
2009	265,000	273,335	538,335
2010	275,000	261,675	536,675
2011	285,000	249,575	534,575
2012	300,000	237,035	537,035
2013	315,000	223,535	538,535
2014	330,000	209,360	539,360
2015	345,000	194,180	539,180
2016	360,000	178,310	538,310
2017	380,000	161,570	541,570
2018	410,000	143,710	553,710
2019	460,000	124,235	584,235
2020	480,000	101,925	581,925
2021	510,000	78,645	588,645
2022	530,000	53,655	583,655
2023	565,000	27,685	592,685
Total	\$ 6,625,000	\$ 3,705,930	\$10,330,930



SECTION V
SPECIAL REVENUE & INTERNAL SERVICE FUNDS
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Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. As outlined in this Section, the City maintains seven Special Revenue Funds:

General Purpose School Fund - Accounts for Oak Ridge School Operations.

Drug Enforcement Program Fund – Accounts for drug enforcement activities funded through restricted use drug fines and forfeitures.

State Street Aid Fund – Accounts for maintenance on non-state streets funded through restricted use State-shared gas and motor fuel taxes supplemented by operating transfers from the City's General Fund.

Street and Public Transportation Fund – Accounts for the City's public transportation programs funded through restricted use State-shared petroleum product inspection fees and a state operating assistance grant.

Economic Diversification Fund - Accounts for the City's economic development endeavors from funds City Council has allocated specifically for that purpose.

Grant Fund – Accounts for the receipt of various non-utility state and federal grant revenues, including the annual Community Development Block Grant (CDBG) and other grants that benefit low-income persons in the community.

Solid Waste Fund – Accounts for the collection and disposal of residential refuse. Under Tennessee State Law, these activities must be accounted for in a special revenue fund.

General Purpose School Fund

School operations are funded by transfers from the City's General Fund, set at \$11,186,541 for fiscal 2005, and from revenues from the State of Tennessee, Anderson and Roane Counties as well as federal sources. An elected five member School Board has oversight responsibility for the Oak Ridge Schools. The School Board reviews the budget prepared by School staff and then submits a funding request to the City to finance School operations. The General Fund provides funding for approximately 26.4% of the Schools total budgeted expenditures. In fiscal 2005, the Oak Ridge Schools will receive an additional \$540,299 or 5.1% in funding from the City over that awarded for fiscal 2004.

City Council approves the total legal expenditure appropriation for the General Purpose School Fund; however, City Council cannot alter any budget line item within the School's budget. The School Board reviews and may alter detail line items within the School's operating budget. The legal expenditure appropriation for the General Purpose School Fund for fiscal 2005 is \$42,422,415; a \$1,071,109 or 2.6% increase over the prior fiscal year. The School's prepare a separate budget document, which details the revenues and expenditures of the General Purpose School Fund.

GENERAL PURPOSE SCHOOL FUND

BUDGET SUMMARY

	ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
REVENUES:						
Local Funds:						
Local Taxes-Anderson/Roane Co.	9,790,662	10,102,416	10,102,416	10,492,587	390,171	3.9
Charges for Services	1,415,934	1,542,614	1,542,614	1,699,698	157,084	10.2
Other Local Revenues	265,348	358,000	358,000	318,912	(39,088)	-10.9
State Funds:						
State Education Funds	13,985,804	14,265,792	14,265,792	14,747,598	481,806	3.4
Other State Revenues	0	33,300	33,300	12,632	(20,668)	-62.1
Federal Funds:						
Federal Funds Received Thru State	514,204	520,192	520,192	713,975	193,783	37.3
Direct Federal Funds	175,667	154,000	154,000	72,730	(81,270)	-52.8
Federal Revenues	2,248,554	2,555,406	2,555,406	2,538,705	(16,701)	-0.7
Other Sources	26,960	20,000	20,000	20,000	0	0.0
Total Revenues	28,423,133	29,551,720	29,551,720	30,616,837	1,065,117	3.6
EXPENDITURES:						
Instruction:						
Regular Education Program	17,790,244	18,682,088	18,682,088	19,195,622	513,534	2.7
Alternative Schools	280,711	317,164	317,164	346,719	29,555	9.3
Special Education Program	3,046,664	3,197,496	3,197,496	3,350,841	153,345	4.8
Technology Career Program	660,821	715,408	715,408	761,440	46,032	6.4
Other - Instruction Services	0	76,828	0	25,000	(51,828)	-67.5
Support Services:						
Attendance Services	53,957	0	0	0	0	0.0
Health Services	130,481	149,740	149,740	169,257	19,517	13.0
Other Student Support	1,272,408	1,319,863	1,319,863	1,409,263	89,400	6.8
Regular Instructional Support	1,321,193	1,524,868	1,524,868	1,539,393	14,525	1.0
Special Education Support	390,398	385,435	385,435	437,656	52,221	13.5
Technology - Career Support	140,386	152,985	152,985	146,186	(6,799)	-4.4
Board of Education Support	596,244	651,495	651,495	756,479	104,984	16.1
Office of Superintendent	253,878	282,974	282,974	302,427	19,453	6.9
Office of Principal	2,284,495	2,453,934	2,453,934	2,498,684	44,750	1.8
Fiscal Services	523,858	535,567	535,567	558,874	23,307	4.4
Operation of Plant	2,896,002	3,083,548	3,083,548	3,157,791	74,243	2.4
Maintenance of Plant	1,053,149	1,091,814	1,091,814	1,182,440	90,626	8.3
Transportation	909,691	999,831	999,831	1,069,621	69,790	7.0
Central Services	813,050	782,581	782,581	888,297	105,716	13.5
Non-Instructional Services:						
Food Service	1,425,548	1,532,163	1,532,163	1,556,822	24,659	1.6
Community Services	284,095	352,985	352,985	366,098	13,113	3.7
Capital Outlay	110,546	280,000	280,000	112,600	(167,400)	-59.8
Federal Projects	2,248,554	2,555,406	2,555,406	2,538,705	(16,701)	-0.7
Other	384,050	227,133	227,133	52,200	(174,933)	-77.0
Total Expenditures	38,870,423	41,351,306	41,274,478	42,422,415	1,071,109	2.6
Excess (Deficiency) of Revenues Over Expenditures	(10,447,290)	(11,799,586)	(11,722,758)	(11,805,578)	(5,992)	0.1
Other Financing Sources (Uses)						
Operating Transfers In	10,646,242	10,646,242	10,646,242	11,186,541	540,299	5.1
Operating Transfers Out	(844,925)	0	0	0	0	0.0
Total Other Financing Sources (Uses)	9,801,317	10,646,242	10,646,242	11,186,541	540,299	5.1
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(645,973)	(1,153,344)	(1,076,516)	(619,037)	534,307	-46.3
Reserves and Fund Balance 7/1	4,623,155	3,815,802	3,977,182	2,900,666	(915,136)	-24.0
Reserves and Fund Balance 6/30	3,977,182	2,662,458	2,900,666	2,281,629	(380,829)	-14.3

Drug Enforcement Program Fund

Fund Overview:

In 1985, the Drug Enforcement Program Fund was established by the City to account for revenues from drug fines and from the sale of items confiscated during drug curtailment activities. Tennessee state law requires those revenues to be accounted for in a separate special revenue fund and that disbursements from those revenues be legally restricted to drug enforcement, drug education, drug treatment and nonrecurring general law enforcement expenditures. The operations accounted for in this Fund are under the supervision of the Police Department.

Major Revenue Sources:

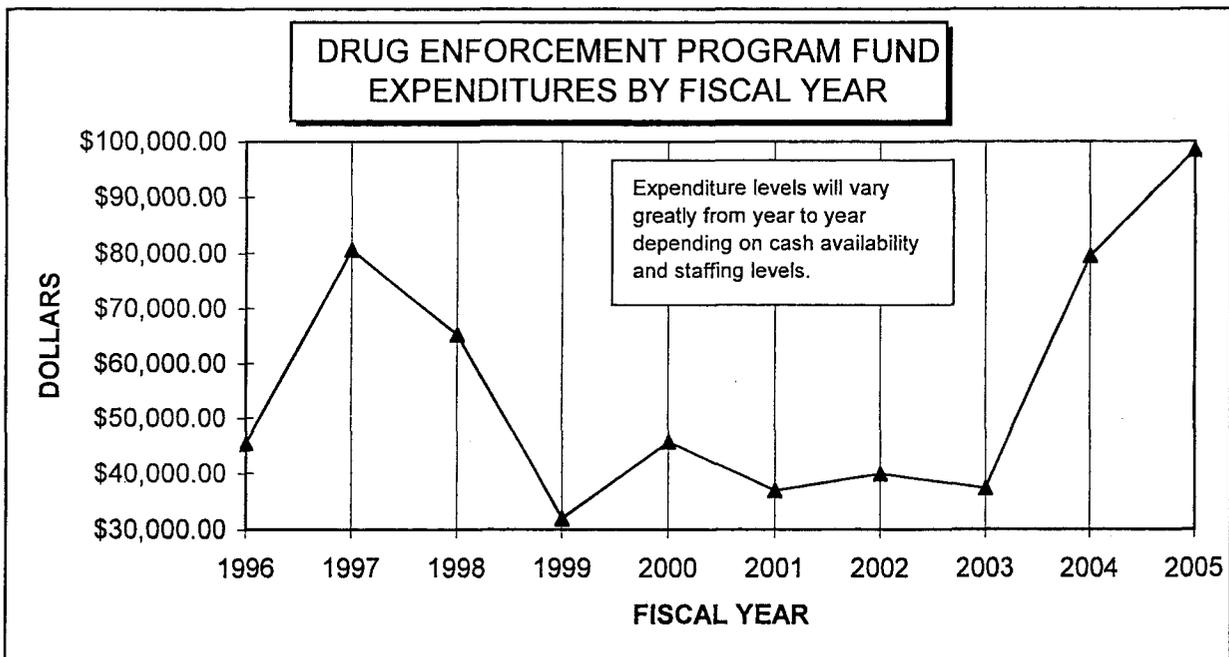
Fiscal 2005 revenues are budgeted at \$71,000 from drug fines and the sale of items confiscated during drug curtailment activities.

Major Expenditure Areas:

Fiscal 2005 expenditures are budgeted at \$98,450 for drug enforcement, drug education, drug treatment and nonrecurring general law enforcement expenditures.

Budget Overview and Changes:

Revenues and expenditures for this Fund will vary from year-to-year based on the level of Fund Balance and revenues collected during the fiscal year. Since expenditures are legally restricted, the \$98,450 appropriation for the Drug Enforcement Program Fund allows for fluctuations in expenditure levels due to irregular revenue/expenditure patterns from enforcement activities and the occasional state and/or federal grant award without requiring amendment of the appropriation ordinance.



DRUG ENFORCEMENT PROGRAM FUND

BUDGET SUMMARY

	<u>ACTUAL 2003</u>	<u>BUDGET 2004</u>	<u>PROJECTED 2004</u>	<u>BUDGET 2005</u>	<u>BUDGET 05 vs 04</u>	<u>% CHANGE</u>
REVENUES:						
4035 Drug Fines	13,718	18,500	18,500	18,500	0	0.0
4036 Drugs Confiscated	11,813	40,000	45,000	40,000	0	0.0
4610 Interest on Investments	586	2,500	750	2,500	0	0.0
4790 Proceeds from Salvage Sale	<u>0</u>	<u>10,000</u>	<u>12,100</u>	<u>10,000</u>	<u>0</u>	<u>0.0</u>
Total Revenues	<u>26,117</u>	<u>71,000</u>	<u>76,350</u>	<u>71,000</u>	<u>0</u>	<u>0.0</u>
EXPENDITURES:						
14375 Drug Enforcement	<u>37,287</u>	<u>98,450</u>	<u>79,500</u>	<u>98,450</u>	<u>0</u>	<u>0.0</u>
Excess (Deficiency) of Revenues over Expenditures	(11,170)	(27,450)	(3,150)	(27,450)	0	0.0
<u>UNRESERVED FUND BALANCE - 7/1</u>	<u>52,410</u>	<u>32,710</u>	<u>41,240</u>	<u>38,090</u>	<u>5,380</u>	<u>16.4</u>
<u>UNRESERVED FUND BALANCE - 6/30</u>	<u>41,240</u>	<u>5,260</u>	<u>38,090</u>	<u>10,640</u>	<u>5,380</u>	<u>102.3</u>

State Street Aid Fund

Fund Overview:

The State Street Aid Fund provides for the maintenance of all City streets that are not designated State highways. The goal is to provide a cost effective and acceptable level of street maintenance and to improve overall quality of streets and sidewalks. The operations accounted for in this Fund are under the supervision of the Public Works Department. The City's work pool employees generally perform the routine street maintenance accounted for in this Fund, with the exception of the annual fall leaf pickup and major street resurfacing projects which are contracted to private vendors.

Maintenance of State streets located within Oak Ridge is accounted for in the City's General Fund, Activity 942. The State reimburses the City for a portion of State street maintenance under a separate contract.

Major Revenue Source:

Revenues in this Fund are received from the State of Tennessee's twenty-one-cent gasoline and motor fuel tax and may be used for street construction and maintenance related activities. The State restricts municipalities as to what type of expenditures are eligible for disbursement from these tax proceeds. Revenues from state-shared fuel taxes are budgeted at \$760,000 for fiscal 2005, a 6% increase from the prior year. When the fiscal 2004 budget was prepared, it was anticipated that a 9% reduction would occur in the state-shared fuel tax revenues to the City based on the Governor's then proposed Tennessee state budget. While some state-shared tax revenues to the City were ultimately reduced, the state-shared fuel tax allocation to the City was not impacted. Since fuel taxes are remitted directly to the state and then shared with local governmental entities throughout the state, the allocation to the City each fiscal year is under the purview of the Tennessee legislative body.

The revenue stream provided from fuel taxes is insufficient to fund all the expenditures accounted for in the State Street Aid Fund. The fiscal 2005 budget includes a \$500,000 operating transfer from the General Fund.

Major Expenditure Areas:

Expenditures are budgeted at \$1,444,610, an 8.6 percent decrease over fiscal 2004. In fiscal 1995, the City began a major Pavement Management Program. Long-term goals of the program are to provide adequate maintenance to City streets in order to prevent or prolong the need for more expensive street reconstruction. Expenditures for this program should approximate between \$500,000 to \$600,000 annually.

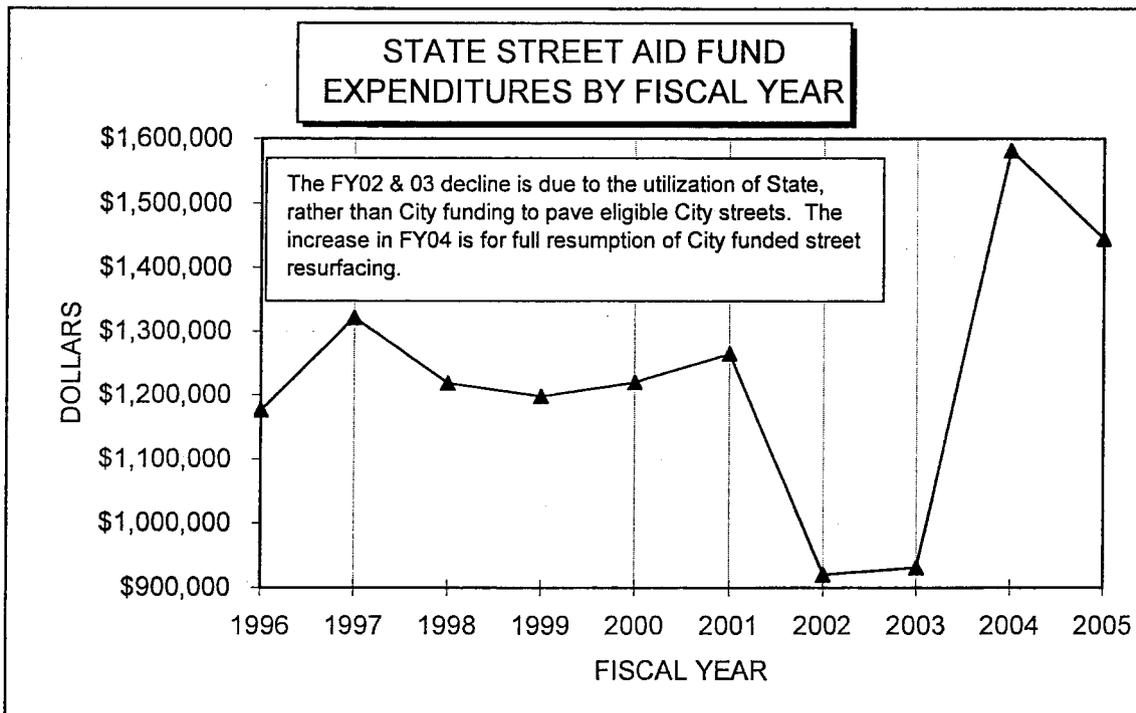
Major projects for FY 2005 include:

- Maintenance activities are budgeted at \$655,000, which includes street maintenance (\$365,000), sidewalk maintenance (\$30,000), leaf pickup (\$125,000), storm drains and spoil dumps (\$115,000) and snow and ice removal (\$20,000).
- Resurfacing of City streets at \$550,000
- Other Costs budgeted at \$239,610 is the allocation of charges from the General Fund for engineering and other services rendered and rental for space occupied at the Central Services Complex.

Budget Changes:

The \$136,680 budgeted decrease in expenditures from fiscal 2004 levels is related to street resurfacing, whose funding declined by \$150,000. In fiscal 2003, paving efforts were concentrated on streets that were eligible for resurfacing under the State's Surface Transportation Program (STP). Under this program, the State issues and oversees the contract for resurfacing streets located within the City, with the City providing funding for 20% of the contract amount. In fiscal 2004, paving efforts were enhanced on City streets that did not qualify for the STP program. In fiscal 2005, paving efforts on streets will return to normal funding levels. Funding levels for expenditure items other than street resurfacing increased \$13,320. The funding levels for each of these items was reviewed and funding reallocated based on current expenditure patterns.

During budget deliberations in fiscal 2004, \$60,000 in funding for snow removal on non-state streets was removed from the budget. This service reduction was made solely to reduce the property tax rate. Correspondingly, a \$60,000 reduction was made to budgeted funding from operating transfers from the General Fund. Fiscal 2005 will see snow removal efforts returned to fiscal 2003 levels with any excess expenditure over the \$20,000 budget coming from funds designated for street resurfacing.



STATE STREET AID FUND

BUDGET SUMMARY

	<u>ACTUAL 2003</u>	<u>BUDGET 2004</u>	<u>PROJECTED 2004</u>	<u>BUDGET 2005</u>	<u>BUDGET 05 vs 04</u>	<u>% CHANGE</u>
REVENUES:						
4610 Interest on Investments	6,825	10,000	6,500	10,000	0	0.0
4810 Motor Fuel Tax	157,061	145,600	163,000	155,000	9,400	6.5
4811 State Shared Gasoline Tax	<u>608,837</u>	<u>568,750</u>	<u>633,000</u>	<u>605,000</u>	<u>36,250</u>	<u>6.4</u>
Total Revenues	<u>772,723</u>	<u>724,350</u>	<u>802,500</u>	<u>770,000</u>	<u>45,650</u>	<u>6.3</u>
EXPENDITURES:						
15100 Street Maintenance	199,595	255,000	230,000	255,000	0	0.0
15110 Curb & Gutter Replacement	16,234	35,000	65,000	55,000	20,000	57.1
15120 Traffic Sign Maintenance	26,748	25,000	25,000	25,000	0	0.0
15130 Striping City Streets	16,466	45,000	30,000	30,000	(15,000)	-33.3
15200 Sidewalk Maintenance	14,714	37,000	37,000	30,000	(7,000)	-18.9
15300 Leaf Pickup	106,101	115,000	125,000	125,000	10,000	8.7
15400 Storm Drains	94,540	90,000	105,000	105,000	15,000	16.7
15500 Snow & Ice Removal	36,311	20,000	20,000	20,000	0	0.0
15600 Spoil Dumps	142	25,000	10,000	10,000	(15,000)	-60.0
15700 Other Costs	226,071	234,290	234,290	239,610	5,320	2.3
15800 Street Resurfacing	<u>194,007</u>	<u>700,000</u>	<u>700,000</u>	<u>550,000</u>	<u>(150,000)</u>	<u>-21.4</u>
Total Expenditures	<u>930,929</u>	<u>1,581,290</u>	<u>1,581,290</u>	<u>1,444,610</u>	<u>(136,680)</u>	<u>-8.6</u>
Excess (Deficiency) of Revenues over Expenditures	(158,206)	(856,940)	(778,790)	(674,610)	182,330	-21.3
OTHER FINANCING SOURCES (USES)						
Operating Transfers in General Fund	<u>500,000</u>	<u>560,650</u>	<u>500,000</u>	<u>500,000</u>	<u>(60,650)</u>	<u>-10.8</u>
Total Other Financing Sources (Uses)	<u>500,000</u>	<u>560,650</u>	<u>500,000</u>	<u>500,000</u>	<u>(60,650)</u>	<u>-0.1</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures	341,794	(296,290)	(278,790)	(174,610)	121,680	-41.1
UNRESERVED FUND BALANCE - 7/1	<u>264,853</u>	<u>430,761</u>	<u>606,647</u>	<u>327,857</u>	<u>(102,904)</u>	<u>-23.9</u>
UNRESERVED FUND BALANCE - 6/30	<u>606,647</u>	<u>134,471</u>	<u>327,857</u>	<u>153,247</u>	<u>18,776</u>	<u>14.0</u>



Street and Public Transportation Fund

Major Revenue Sources

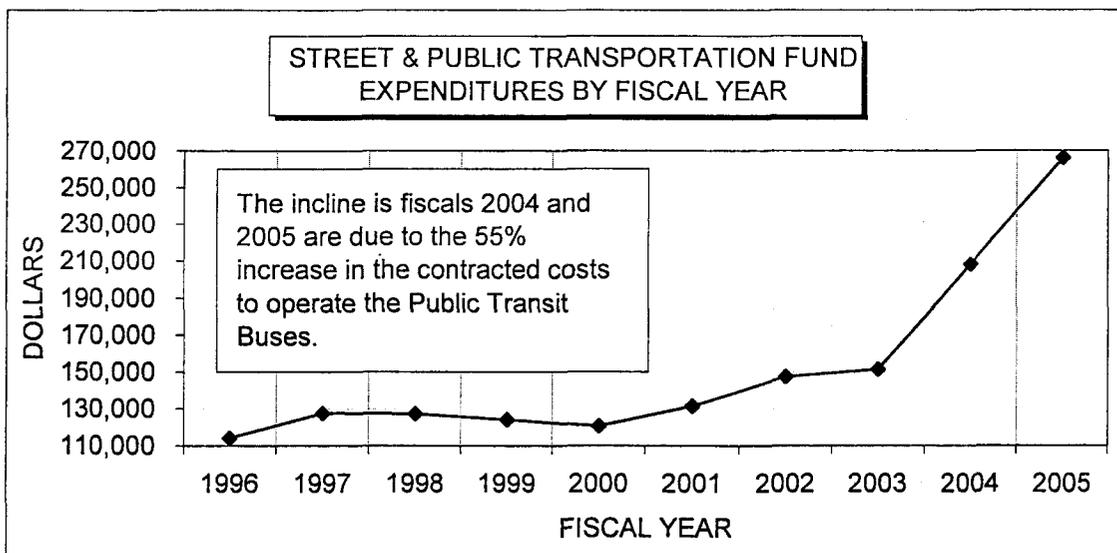
The primary source of revenue for this Fund is a special one-cent-per-gallon inspection fee levied on all petroleum products bought, sold or stored in the state and an operating assistance grant from the Tennessee Department of Transportation (TDOT). The inspection fee is distributed on a per-capita basis to assist municipalities with street signage and public transportation. Fiscal 2005 revenues from this fee are budgeted at \$65,000, a \$5,850 increase from the prior fiscal year. When the fiscal 2004 budget was prepared, it was anticipated that a 9% reduction would occur in the state-shared fuel tax revenues to the City based on the Governor's then proposed Tennessee state budget. While some state-shared tax revenues to the City were ultimately reduced, the state-shared fuel tax allocation to the City was not impacted.

The TDOT operating assistance grant reimburses the City for 40% of the expenditures for the taxicab coupon program and the public transit program, up to a total grant award that is adjusted annually. Historically, eligible expenses have been well below the grant maximum resulting in the full 40% reimbursement allowed under the grant. During fiscal 2004, the City's contract with the East Tennessee Human Resource Agency (ETHRA), the contractor who operates the public transit buses, was renewed at an approximate 55% increase. Revenues from the state-shared fuel taxes and the TDOT operating assistance grant are insufficient to finance the higher operating costs for this program. In fiscal 2004, the General Fund began providing an operating transfer to the Street and Public Transportation Fund to support the operations of the public transit buses. For fiscal 2005, this operating transfer is budgeted at \$10,000.

Major Expenditures Areas:

The Public Transit Program provides for the operation of four wheelchair lift equipped vans. The program is demand responsive and provides service within the City's corporate limits on a 24-hour advance reservation basis. Service is provided six days a week, Monday through Saturday, from 8:00 a.m. until 5:30 p.m. for a fare of \$1.50 per one-way trip. The system is operated under contract with the East Tennessee Human Resources Agency (ETHRA), who is responsible for all facets of operation, including hiring and training of personnel, scheduling, dispatch functions, vehicle maintenance and financial report/record keeping. ETHRA's 2004 contract to operate the public transit buses has 9 optional annual renewal terms with a built in cost-of-living escalator. \$195,000 is budgeted for this program in FY 2005 reflecting the 55% increase in the new contract.

The Taxi Coupon Program, administered in the Senior Center (Activity 978), provides for the purchase of coupons by the elderly for reduced taxi fares. The participant's share of the coupon is 75 cents for the rider, 30 cents for the cab company and \$1.95 for the City. \$65,000 is budgeted for this program in fiscal 2005, which is a decrease of \$17,000 to reflect actual expenditures trends.



STREET AND PUBLIC TRANSPORTATION FUND

BUDGET SUMMARY

	<u>ACTUAL 2003</u>	<u>BUDGET 2004</u>	<u>PROJECTED 2004</u>	<u>BUDGET 2005</u>	<u>BUDGET 05 vs 04</u>	<u>% CHANGE</u>
<u>REVENUES:</u>						
4610 Interest on Investments	2,842	6,000	1,800	2,000	(4,000)	-66.7
4820 State Shared Gasoline Tax Inspection Fees	62,458	59,150	62,500	65,000	5,850	0.1
4358 Tennessee Department of Transportation	<u>59,812</u>	<u>80,800</u>	<u>80,800</u>	<u>104,000</u>	<u>23,200</u>	<u>28.7</u>
Total Revenues	<u>125,112</u>	<u>145,950</u>	<u>145,100</u>	<u>171,000</u>	<u>25,050</u>	<u>17.2</u>
<u>EXPENDITURES:</u>						
16102 Maintenance Traffic Signs	1,869	6,000	6,000	6,000	0	0.0
16200 Taxi Coupon Program	52,408	82,000	60,000	65,000	(17,000)	-20.7
16200 Public Transit Program	<u>97,122</u>	<u>120,000</u>	<u>142,000</u>	<u>195,000</u>	<u>75,000</u>	<u>62.5</u>
Total Expenditures	<u>151,399</u>	<u>208,000</u>	<u>208,000</u>	<u>266,000</u>	<u>58,000</u>	<u>27.9</u>
Excess (Deficiency) of Revenues over Expenditures	(26,287)	(62,050)	(62,900)	(95,000)	(32,950)	53.1
<u>OTHER FINANCING SOURCES (USES):</u>						
Operating Transfers In General Fund	<u>0</u>	<u>5,850</u>	<u>10,000</u>	<u>10,000</u>	<u>4,150</u>	<u>100.0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>5,850</u>	<u>10,000</u>	<u>10,000</u>	<u>4,150</u>	<u>100.0</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures	(26,287)	(56,200)	(52,900)	(85,000)	(28,800)	0.5
<u>UNRESERVED FUND BALANCE - 7/1</u>	<u>258,665</u>	<u>220,986</u>	<u>232,378</u>	<u>179,478</u>	<u>(41,508)</u>	<u>-18.8</u>
<u>UNRESERVED FUND BALANCE - 6/30</u>	<u>232,378</u>	<u>164,786</u>	<u>179,478</u>	<u>94,478</u>	<u>(70,308)</u>	<u>-42.7</u>

Economic Diversification (ED) Fund

Fund Overview:

A primary objective of the City is to promote diversification of the local Oak Ridge economic base, create and protect jobs, and provide for the common wealth of current and future Oak Ridgers. To assist in the attainment of this objective, the Economic Diversification (ED) Fund was established in fiscal 2000 with revenues primarily provided from operating transfers from the General, Electric and Waterworks Funds.

Major Revenue Source:

Operating transfers are budgeted at \$951,200 in fiscal 2005; a \$19,545 or 2.1% increase over fiscal 2004 levels. \$1,000,000 in revenues is budgeted to allow for expenditures that may occur from any future grant awards. To date, there are no pending grant revenues identified for fiscal 2005.

Major Expenditure Areas:

Expenditures for the ED Fund are budgeted at \$3,167,096 for fiscal 2005. This includes a \$2,100,000 contingency amount. Budgeting for a contingency allows the City the flexibility of obtaining state/federal grant funding and/or the awarding of location incentives for opportunities that arise after adoption of the budget without the requirement of reappropriation of the budget ordinance. This contingency is not operationally funded. Any actual expenditure for these contingency items would be funded through the ED Fund's existing fund balance or new grant revenues.

The fiscal 2005 budgeted funding for expenditures increased by \$145,441 over the prior fiscal year. \$30,000 was added to budget for the City's costs to facilitate special events being held in Oak Ridge, such as the archery tournament and rowing regattas. \$35,000 was included to maintain the right-of-ways and vacant Industrial Development Board lots in City Industrial Parks and for major maintenance to the City's Incubator Building. An additional \$22,701 is budgeted for salary and administrative costs. The remaining \$57,740 increase is related to economic development services as outlined below.

\$560,765 is budgeted for economic development services from the Oak Ridge Chamber of Commerce at \$201,765, Oak Ridge Convention and Visitors Bureau (CVB) at \$334,000, Melton Hill Regional Industrial Development Association (MHRIDA) at \$15,000 and Roane Alliance at \$10,000. Funding for the CVB is set at 91% of the actual Hotel/Motel tax collections for the last audited fiscal year, which resulted in a \$52,058 increase in funding over the prior fiscal year. Hotel/Motel tax collections are accounted for as revenue of the General Fund. Funding for the Oak Ridge Chamber increased by an inflationary 2.9% or 5,682.

During fiscal 2002, the City entered into a 3-year contract with Baker, Donelson, Bearman & Caldwell to provide an action plan of possible avenues for increased remuneration to the City from the federal and state governments at cost of \$144,000 plus travel expenses annually. \$5,280 is budgeted toward the Home Guide published in the Oak Ridger.

\$168,350 is budgeted for social services funding including \$136,500 for the City's social service program administered under a contract with Aid to Distressed Families of Appalachian Counties (ADFAC). The City's social service program provides assistance with rent, mortgage and utility payments, medical assistance for some prescription drugs, transportation for doctor appointments or job interviews, counseling toward self-sufficiency and referrals to appropriate agencies for further assistance to eligible citizens. \$31,850 in funding is budgeted for the Anderson County Health Council Healthy Start program, which provides assistance, training and support program for young mothers. Both of these programs are 100% funded by the operating transfer from the General Fund.

**ECONOMIC DIVERSIFICATION FUND
BUDGET SUMMARY**

	ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
REVENUES:						
4305 Future Grants	0	1,000,000	0	1,000,000	0	0.0
4730 Land Sale Proceeds	547,202	0	0	0	0	0.0
4610 Interest on Investments	32,344	40,000	24,000	25,000	(15,000)	-37.5
Total Revenues	579,546	1,040,000	24,000	1,025,000	(15,000)	-1.4
EXPENDITURES:						
5111 Salaries & Fringe Benefits	184,256	90,000	100,101	105,701	15,701	17.4
5300 Administrative Costs	7,036	0	7,000	7,000	7,000	100.0
5200 Special Events	27,317	0	25,000	30,000	30,000	100.0
5200 Building & Property Maintenance	50,606	0	125,000	35,000	35,000	100.0
5430 Social Services Programs (ADFAC)	150,000	136,500	136,500	136,500	0	0.0
5430 Social Services Programs (Healthy Start)	35,000	31,850	31,850	31,850	0	0.0
5430 Convention & Visitors Bureau	287,040	281,942	281,942	334,000	52,058	18.5
5430 Oak Ridge Chamber of Commerce	200,875	196,083	196,083	201,765	5,682	2.9
5430 MHRIDA	15,000	15,000	15,000	15,000	0	0.0
5430 Legal Services	146,978	155,000	155,000	155,000	0	0.0
5430 Roane Alliance	10,000	10,000	10,000	10,000	0	0.0
5430 Marketing	3,995	5,280	5,280	5,280	0	0.0
5480 Investment/Initiative Grant Funded	0	1,000,000	0	1,000,000	0	0.0
5480 Investment/Initiative City Funded:						
Miscellaneous	0	1,100,000	0	1,100,000	0	0.0
Industrial Development Board	502,465	0	0	0	0	0.0
Total Expenditures	1,620,568	3,021,655	1,088,756	3,167,096	145,441	4.8
 Excess (Deficiency) of Revenues over Expenditures	 (1,041,022)	 (1,981,655)	 (1,064,756)	 (2,142,096)	 (160,441)	 8.1
OTHER FINANCING SOURCES:						
Transfers From Other Funds						
General Fund	1,146,665	679,764	679,764	694,000	14,236	2.1
Electric Fund	220,750	137,395	137,395	140,300	2,905	2.1
Waterworks Fund	183,966	114,496	114,496	116,900	2,404	2.1
Total Other Financing Sources	1,551,381	931,655	931,655	951,200	19,545	2.1
 Excess (Deficiency) of Revenues and Other Sources Over Expenditures	 510,359	 (1,050,000)	 (133,101)	 (1,190,896)	 (140,896)	 13.4
UNRESERVED FUND BALANCE - 7/1	2,353,803	2,459,673	2,864,162	2,731,061	271,388	11.0
UNRESERVED FUND BALANCE - 6/30	2,864,162	1,409,673	2,731,061	1,540,165	130,492	100.0

Grant Fund

Fund Overview:

The Grant Fund accounts for the receipt of various non-utility state and federal grant revenues, including those that benefit low-income persons in the community. With the passage of the Urban-Rural Recovery Act of 1983, Oak Ridge became eligible for an automatic annual community block grant entitlement (CDBG) through the US Department of Housing and Urban Development (HUD). The entitlement has been used for projects that benefit low and very low-income persons; eliminate or prevent slums; or eliminate conditions detrimental to the health, safety and public welfare. The Grant Fund was initially established to account for the annual CDBG award. As grant opportunities expanded to other areas, the accounting for non-utility grants was centralized in the Grant Fund. Routine grant awards now include, an Emergency Shelter Grant (ESG) through the Tennessee Department of Human Services and police grants through the US Department of Justice.

Major Revenue/Expenditure Sources and Budget Changes:

Grants awarded and therefore the appropriated expenditure level will vary from year to year in the Grant Fund. Revenues and expenditures are budgeted to be equal in the Grant Fund at \$3,484,784 for fiscal 2005.

The fiscal 2005 CDBG award is projected at \$313,000; with \$81,584 available as a carryover of funding provided from prior year CDBG grant awards, for a total budget of \$394,584. On January 22, 2002, City Council approved a staff recommendation that established the CDBG Program Model for awarding sub-recipient grants to community organizations. City Council established housing rehabilitation and construction as its top priority for funding. Usage of the CDBG model has brought a sense of fairness and consistency to the funding process. The fiscal 2005 allocation of CDBG funds is as follows:

- \$60,000 to Habitat for Humanity of Anderson County for land acquisition, infrastructure and/or site preparation within the City of Oak Ridge, with \$20,000 being designated for the Highland View neighborhood.
- \$88,008 to Aid to Distressed Families of Appalachian Counties (ADFAC) to improve residences occupied by very low and low income persons, including emergency repairs.
- \$31,000 to Ridgeview Psychiatric Hospital and Center, Inc. to provide two housing units and a housing coordinator for housing services for the homeless, mentally ill and/or dually diagnosed Oak Ridge citizens.
- \$25,000 to Housing Development Corporation of the Clinch Valley (HDCCV) for two housing units that provide short-term transitional housing for the homeless and for housing counseling on various housing issues issued by certified counselors to Oak Ridge residents.
- \$32,800 to the Oak Ridge Housing Authority (ORHA) Family Self Sufficiency program which provides case management services for the program participants in Oak Ridge.
- \$46,245 to provide funds for employee and program costs associated with a City inspector for enforcement of municipal codes in CDBG eligible areas and programs.
- \$95,000 for annual debt service on funds borrowed by the City to renovate and expand the Scarboro Community Center. This is the third of fifteen installments on this debt.
- \$16,531 for general program administration, project implementation, management of subrecipient agreements, coordinating and developing the PY2005-PY2009 Consolidated Plan and all reporting requirements.

\$25,200 is budgeted for an Emergency Shelter Grant (ESG) through the Tennessee Department of Human Services to provide funds for emergency assistance to low and very-low income persons threatened with displacement. Also budgeted is \$65,000 in police and fire grants. For the past few years, the City has been awarded grants toward police functions from the US Department of Justice and Fire grants from the Tennessee Department of Military. The fiscal 2005 appropriation for the Grant Fund also contains a \$3,000,000 contingency so that the City can aggressively pursue other federal and state grants.

**GRANT FUND
BUDGET SUMMARY**

	ACTUAL 2003	BUDGET 2004	PROJECTED 2004	BUDGET 2005	BUDGET 05 vs 04	% CHANGE
REVENUES:						
4835 TEMA/FEMA Grants	1,115,253	0	195,437	0	0	0.0
4886 Anderson County	76,890	0	0	0	0	0.0
4839 DOE Grants	14,869	0	0	0	0	0.0
4845 Police/Fire Grants	50,111	55,000	65,000	65,000	10,000	18.2
4878 Emergency Shelter Grant	25,200	25,200	25,200	25,200	0	0.0
4879 Community Development						
Block Grant (CDBG) Entitlement	255,668	313,880	375,415	394,584	80,704	25.7
4880 TDOT Grant	0	480,000	480,000	0	(480,000)	-100.0
4880 Future and Other Grants	155,474	3,826,801	833,000	3,000,000	(826,801)	-21.6
Total Revenues	<u>1,693,465</u>	<u>4,700,881</u>	<u>1,974,052</u>	<u>3,484,784</u>	<u>(1,216,097)</u>	<u>-25.9</u>
EXPENDITURES:						
Community Development Block Grant (CDBG):						
27000 Unprogrammed/Carried Forward	0	7,663	0	0	(7,663)	-100.0
27401 Property Maintenance Inspector	0	46,245	46,245	46,245	0	0.0
27405 Habitat for Humanity	0	0	0	60,000	60,000	100.0
27406 Grants Coordinator/Administrative	34,130	16,531	16,531	16,531	0	0.0
27408 Oak Ridge Housing Authority (ORHA)	30,000	33,200	33,200	32,800	(400)	-1.2
27411 Ridgeview Psychiatric Hospital	18,000	27,800	27,800	31,000	3,200	11.5
27215 Scarboro Center	713,948	95,000	521,202	95,000	0	0.0
27501 ADFAC	65,027	62,441	62,441	88,008	25,567	40.9
27505 HDCCV	32,560	25,000	25,000	25,000	0	0.0
Other Grants:						
27502 THDA	5,473	0	0	0	0	0.0
27504 Emergency Shelter Grant (ESG)	25,200	25,200	25,200	25,200	0	0.0
27601 Parcel 412 Remediation (DOE)	14,869	0	0	0	0	0.0
27602 Pass-Through Conference Center	150,000	833,000	833,000	0	(833,000)	-100.0
27603 Mona Lane/Carst Remediation	1,385,327	0	250,000	0	0	0.0
27604 Police Grants	50,111	50,000	50,000	50,000	0	0.0
27605 Fire Grants	0	5,000	15,000	15,000	10,000	200.0
27606 TDOT	0	480,000	480,000	0	(480,000)	-100.0
27900 Future Grants Contingency	0	2,993,801	0	3,000,000	6,199	0.2
Total Expenditures	<u>2,524,645</u>	<u>4,700,881</u>	<u>2,385,619</u>	<u>3,484,784</u>	<u>(1,216,097)</u>	<u>-25.9</u>
Excess (Deficiency) of Revenues over Expenditures	(831,180)	0	(411,567)	0	0	100.0
OTHER FINANCING SOURCES:						
Proceeds From Loans	197,263	0	797,737	0	0	0.0
Transfer From Capital Projects Fund	193,184	0	54,563	0	0	-100.0
Total Other Financing Sources	<u>390,447</u>	<u>0</u>	<u>852,300</u>	<u>0</u>	<u>0</u>	<u>-100.0</u>
Excess (Deficiency) Of Revenues and Other Financing Sources Over (Under) Expenditures	(440,733)	0	440,733	0	0	0.0
UNRESERVED FUND BALANCE - 7/1	<u>383</u>	<u>383</u>	<u>(440,350)</u>	<u>383</u>	<u>0</u>	<u>0.1</u>
UNRESERVED FUND BALANCE - 6/30	<u>(440,350)</u>	<u>383</u>	<u>383</u>	<u>383</u>	<u>0</u>	<u>0.1</u>



Solid Waste Fund

Fund Overview:

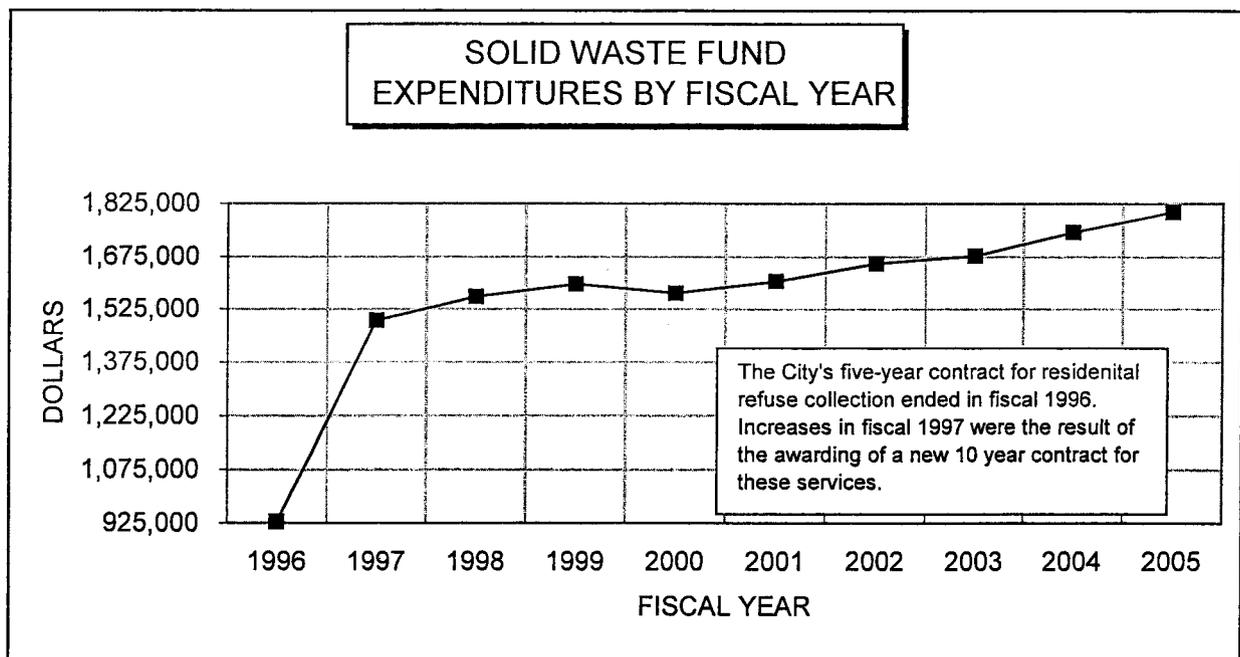
This Fund provides for the collection and disposal of residential refuse. The goal is to contribute to the health and welfare of the community by providing a quality level of refuse collection, while at the same time, continually striving to identify and recommend measures which improve the efficiency of the service to the public. This service had historically been funded and accounted for in the City's General Fund. In 1992, state legislation required that the City establish a separate Fund to account for solid waste management expenditures. General Fund revenues continue to provide a portion of funding for solid waste expenditures via an operating transfer from the General Fund.

Major Revenue Source:

In fiscal 1999, City Council authorized a \$5 monthly fee be charged to residential households for solid waste collection. In fiscal 2005, this fee is estimated to provide \$690,800 in funding for the Solid Waste Fund. The City does not provide refuse collection to commercial entities located within Oak Ridge. The operating transfer from the General Fund is budgeted at \$1,110,650.

Major Expenditures Areas:

For fiscal 2005, expenditures for the Solid Waste Fund are budgeted at \$1,801,450, a \$6,940 increase from the preceding fiscal year due to inflation. The City contracts with Waste Connections for the collection and disposal of residential solid waste at an estimated cost of \$1,421,210. Residential refuse collection is provided once a week at the back door and once a week at curbside for recyclable items. The contractor is also responsible for the operation of a convenience center for disposing of residential waste and recyclable items, budgeted at a cost of \$286,655, and an annual spring clean-up and fall brush collection. The cost for providing these services increased 53% when the contract was last bid in 1996. In an effort to mitigate escalating costs, the City entered into a contract for these services, which extends through June 30, 2011. The current multiyear contract provides for annual increases in contract payments determined by a formula calculated on an increase of 90% of the change in the Consumer Price Index. Also budgeted in this Fund, is \$22,000 for landfill costs for waste generated by residents that live in the Roane County portion of Oak Ridge and \$47,000 for brush mulching costs.



SOLID WASTE FUND

BUDGET SUMMARY

	<u>ACTUAL 2003</u>	<u>BUDGET 2004</u>	<u>PROJECTED 2004</u>	<u>BUDGET 2005</u>	<u>BUDGET 05 vs 04</u>	<u>% CHANGE</u>
REVENUES:						
4400 Charges for Services	<u>684,431</u>	<u>686,000</u>	<u>686,990</u>	<u>690,800</u>	<u>4,800</u>	<u>0.7</u>
EXPENDITURES:						
5210 Residential Refuse Pickup & Recycle Service	1,350,238	1,390,750	1,379,815	1,421,210	30,460	2.2
5210 Convenience Center Rental	272,475	280,650	278,305	286,655	6,005	2.1
5210 Roane County Landfill	0	22,000	22,000	22,000	0	0.0
5210 Annual Brush Collection	23,406	24,110	23,870	24,585	475	2.0
5210 Mulching Contract	30,976	52,000	35,000	42,000	(10,000)	-19.2
5235 Support Services for Mulching	<u>0</u>	<u>25,000</u>	<u>5,000</u>	<u>5,000</u>	<u>(20,000)</u>	<u>-80.0</u>
Total Expenditures	<u>1,677,095</u>	<u>1,794,510</u>	<u>1,743,990</u>	<u>1,801,450</u>	<u>6,940</u>	<u>0.4</u>
OTHER FINANCING SOURCES:						
Operating Transfers In General Fund	<u>992,664</u>	<u>1,108,510</u>	<u>1,057,000</u>	<u>1,110,650</u>	<u>2,140</u>	<u>0.2</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	0	0	0	0	0	0.0
<u>UNRESERVED FUND BALANCE - 7/1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<u>UNRESERVED FUND BALANCE - 6/30</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>

Internal Service Funds

Internal Service Funds are used to account for services provided by one department to other departments of the City on a cost-reimbursement basis. Rates for revenues are set by City staff in order for projected revenues to be equal to projected expenses. These Funds are presented merely to show an accumulation of the total cost of providing these services to the City. The budgets of these Funds are not legally appropriated. These Funds are not presented in the Combined Summary of Revenues, Expenditures and Changes in Fund Balance – All Funds presented on page I-49 of this document as this would be a duplication of expenditures/expenses. The City currently maintains two Internal Service Funds, the Equipment Replacement Rental Fund and the Insurance Fund.

Equipment Replacement Rental Fund (ERRF)

This Fund is used to accumulate resources for the future replacement of equipment utilized by Governmental Funds and by the work pool and to account for the maintenance of that equipment. This is accomplished in the form of an equipment use charge to the corresponding activity/Fund which utilizes the equipment. For example, the ERRF charges the General Fund Fire Department, Activity 923, for maintenance and rental (for future replacement) of fire fighting equipment (fire trucks, etc.). This is recorded in the General Fund as an equipment use charge. Equipment use charges include both the actual cost of providing maintenance of the equipment (fuel, material and labor) and depreciation charges on the equipment. The accumulation of the proceeds from the depreciation charges is used to fund the future replacement of assets serviced by the Fund (i.e. fire trucks, etc.). The cost of providing this service is recorded as an expenditure in both the applicable Fund (General Fund in this example) and in the ERRF for the actual maintenance cost and depreciation expense. Proceeds from equipment use charges to other Funds, which are recorded as revenues in the ERRF, are budgeted at \$2,057,890 for fiscal 2005. Maintenance and depreciation expenses are budgeted at \$2,348,200.

\$2,326,575 in long-term debt was issued in fiscal 1999 to purchase three fire pumpers and one ladder truck and year 2000 compliant mainframe computers and software. Debt service on this debt issuance will be funded by the ERRF. Interest payments are budgeted at \$45,115 for fiscal 2005. Revenues and existing cash levels of the ERRF should be sufficient to fund the annual debt service requirements for the purchase of this equipment; therefore, no impact for this debt is anticipated on the property tax rate.

Equipment accounted for in this Fund is eligible for replacement review once it is fully depreciated. Each year the equipment shop staff in conjunction with the department reviews the physical state of the equipment to determine if it should be replaced or retained. Equipment replacement is based on the mechanical state of the equipment rather than depreciation status. Page V-21 contains \$969,500 in equipment that will be eligible for replacement in fiscal 2005.

EQUIPMENT REPLACEMENT RENTAL FUND

BUDGET SUMMARY

	<u>ACTUAL 2003</u>	<u>BUDGET 2004</u>	<u>PROJECTED 2004</u>	<u>BUDGET 2005</u>	<u>BUDGET 05 vs 04</u>	<u>% CHANGE</u>
<u>OPERATING REVENUES:</u>						
4466 Charges for Service	<u>2,025,726</u>	<u>2,093,260</u>	<u>2,016,266</u>	<u>2,057,890</u>	<u>(35,370)</u>	<u>-1.7</u>
<u>OPERATING EXPENSES:</u>						
5235 Routine Repair & Maintenance	<u>1,502,824</u>	<u>1,568,490</u>	<u>1,519,045</u>	<u>1,543,200</u>	<u>(25,290)</u>	<u>-1.6</u>
5460 Depreciation	<u>795,798</u>	<u>805,000</u>	<u>800,000</u>	<u>805,000</u>	<u>0</u>	<u>0.0</u>
Total Operating Expenses	<u>2,298,622</u>	<u>2,373,490</u>	<u>2,319,045</u>	<u>2,348,200</u>	<u>(25,290)</u>	<u>-1.1</u>
Operating Income (Loss)	<u>(272,896)</u>	<u>(280,230)</u>	<u>(302,779)</u>	<u>(290,310)</u>	<u>(10,080)</u>	<u>3.6</u>
<u>NONOPERATING REVENUES/(EXPENSES):</u>						
4610 Net interest Income	<u>12,127</u>	<u>30,000</u>	<u>8,000</u>	<u>15,000</u>	<u>(15,000)</u>	<u>-50.0</u>
4720 Gain/(Loss) on Sale of Assets	<u>1,333</u>	<u>30,000</u>	<u>24,000</u>	<u>30,000</u>	<u>0</u>	<u>0.0</u>
4314 State of TN Trans. Grant	<u>65,998</u>	<u>0</u>	<u>33,000</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
5439 Interest Expense	<u>(40,619)</u>	<u>(50,000)</u>	<u>(48,515)</u>	<u>(45,115)</u>	<u>4,885</u>	<u>-9.8</u>
Total Nonoperating Revenues (Expenses)	<u>38,839</u>	<u>10,000</u>	<u>16,485</u>	<u>(115)</u>	<u>(10,115)</u>	<u>-101.2</u>
Net Income (Loss)	<u>(234,057)</u>	<u>(270,230)</u>	<u>(286,294)</u>	<u>(290,425)</u>	<u>(20,195)</u>	<u>7.5</u>
<u>RETAINED EARNINGS - 7/1</u>	<u>1,590,398</u>	<u>1,460,773</u>	<u>1,356,341</u>	<u>1,070,047</u>	<u>(390,726)</u>	<u>-26.7</u>
<u>RETAINED EARNINGS - 6/30</u>	<u>1,356,341</u>	<u>1,190,543</u>	<u>1,070,047</u>	<u>779,622</u>	<u>(410,921)</u>	<u>-34.5</u>

**EQUIPMENT REPLACEMENT RENTAL FUND
CAPITAL EXPENDITURES**

The following equipment is fully depreciated and scheduled for replacement in **FY 2005**

ACTIVITY	ASSET NO.	DESCRIPTION	BUDGETED COST
910 Police Supervision	194	Ford Crown Victoria, 2000	\$ 21,000
913 Patrol	116	Jeep Grand Cherokee, 2000	21,000
	136,138	Ford Crown Victoria, 2003	42,000
	158,159,160,161	Chevrolet Impala, 2000	84,000
	999	In-Car Video Cameras (15 ea.)	67,500
916 Animal Control	389	Ford F-250 Animal Control Unit, 1996	30,000
922 Fire Prevention	133	Jeep Cherokee, 1995	20,000
925 Fire Specialist	222,223	Jeep Cherokee, 1996	44,000
	224,225	GMC 4WD Pickup, 1996	40,000
966 Office of Neighborhood Inspections	283	Chevrolet S-10 Pickup, 1989	18,000
	286	Ford Ranger Pickup, 1990	18,000
	289	Ford Ranger Pickup, 1990	18,000
970 Recreation Supervision	257	Dodge Ram 1/2 Ton Pickup, 1987	18,000
976 Parks	251	GMC Sierra 3/4 Ton Pickup, 1990	23,000
	297	Ford F250 3/4 Ton Pickup, 1992	23,000
	299	GMC Sierra 4x4 Truck, 1994	23,000
		Items Less Than \$5,000	20,000
11951 Equipment Shop	208	Ford F150 Pickup, 1990	18,000
	298	Ford F250 Pickup, 1992	23,000
		Items Less Than \$5,000	5,000
21941 Work Pool	302	GMC 3 Ton Dump, 1991	45,000
	304	GMC 3 Ton Dump, 1991	45,000
	373	Ford 2 1/2 Ton Dump, 1991	40,000
	501	Paint Stripper, 1998	5,000
	525	Mauldin 4000 Compaction Roller, 1996	9,000
	610	Arrow Board	6,000
	690	Tarco Leaf Loader	40,000
		Items Less Than \$5,000	20,000
024 Golf Course Fund		Various Equipment	50,000
845 Computer Services		DeskTop Computers & Printers	75,000
		GIS Equipment	50,000
		Records Management System	50,000
TOTAL			\$ 969,500

Insurance Fund

The Insurance Fund ensures that adequate funds are available to pay for various losses, which the City may incur. The Insurance Fund ensures the City's ability to pay for losses through the purchase of insurance, the maintenance of monetary reserves or a combination of both. Revenues to the Insurance Fund are provided through charges to the General, Electric and Waterworks Funds and from employee and retiree contributions toward medical premiums.

At the present time, the City purchases insurance with deductibles for Worker's Compensation, liability and property damage. The City has a \$50,000 per incident deductible on Workers' Compensation coverage and property damage due to a natural disaster. Other deductibles for property, equipment and general liabilities range from \$5,000 to \$10,000 per incident. Due to industry losses, for fiscal 2005 expenditures for liability insurance is budgeted to increase \$78,700 or 34.9% and property insurance is up \$98,000 or 96.1%. The City is self-insured for the employee dental/hearing/vision reimbursement program and unemployment compensation. Monetary reserves are maintained within the Insurance Fund to pay for the City's portion of any losses in these areas. The appropriate level of reserves within the Fund is determined by examining the potential for losses in each area of risk and providing the necessary funds to cover a catastrophic loss in any one-risk area.

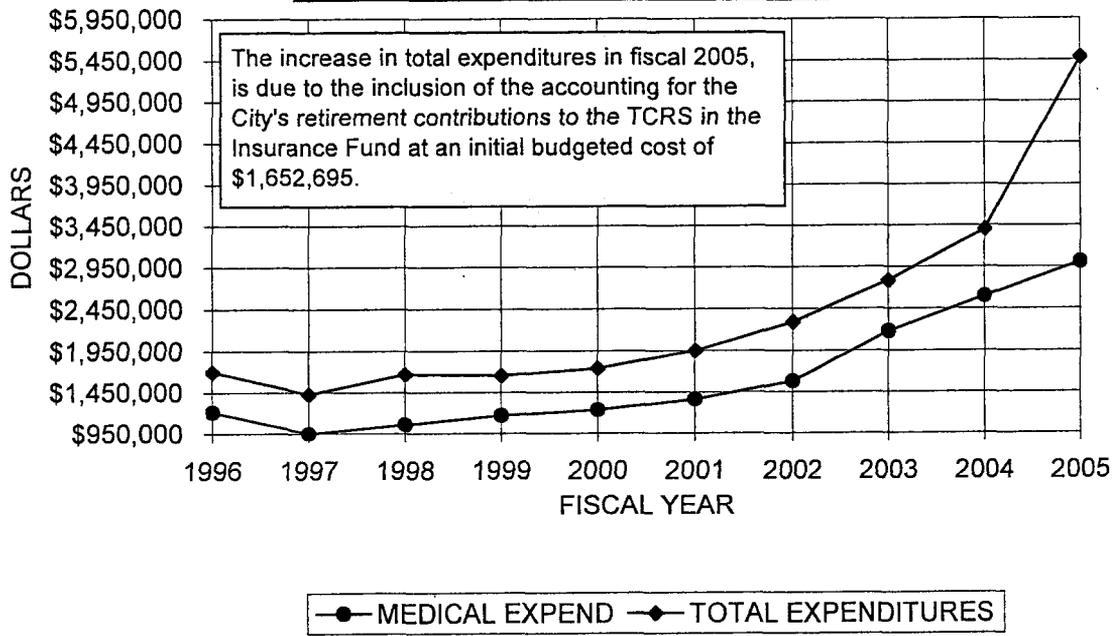
Budgeted expenses for the Insurance Fund totaled \$5,480,370 for fiscal 2005; a \$2,069,150 or 60.7% increase over fiscal 2004. \$1,652,695 of the increase is include the accounting for the City's contribution for employee retirement benefits to the Tennessee Consolidated Retirement System (TCRS) in the Insurance Fund. Previously the General, Electric and Waterworks Funds accounted for the actual amount of the TCRS contribution. The City's contribution to the TCRS is actuarially reviewed on a biennial basis. For fiscal 2005, the City's required contribution to the TCRS increased from 8.86% to 11.53% of covered wages, a 30.14% increase. In order to spread the rising costs for retirement over a two-year period, beginning in fiscal 2005, the General, Electric and Waterworks Funds will be charged a flat amount for TCRS contributions. This flat charge will be recorded as a revenue in the Insurance Fund. Correspondingly, actual retirement payments to the TCRS will be recorded as an expenditure in the Insurance Fund. Short-term shortages in the corresponding revenues verses expenditures for retirement benefits will be funded from existing cash reserves in the Insurance Fund. The goal is to reach a flat percentage charged to other City Funds that will not fluctuate as much as the actual TCRS rate. Historically, the TCRS rate has increased and decreased based on fluctuations in the stock market and other investment instruments.

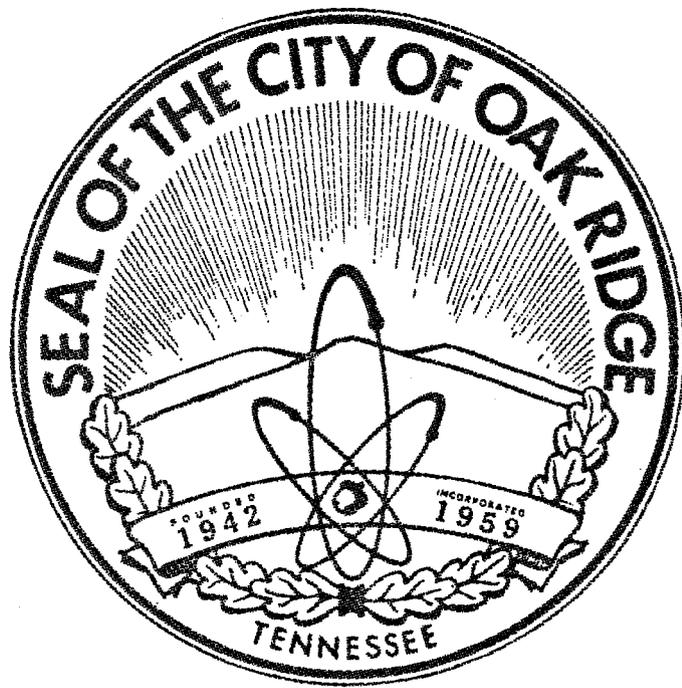
The City continually reviews its insurance programs and providers in an attempt to mitigate ever increasing insurance costs, particularly employee medical. In 1990, the City began a primarily self-insured program for employee medical claims. Medical claims increased 87.8% from 1991 to 1995. On August 1, 1996, the City converted to a Group Hospitalization plan under which employee medical claims were funded entirely through insurance premiums, with contributions by employees and retirees funding a portion of costs. Since 1999, the City has contracted employee medical coverage through the State of Tennessee Local Government Health Insurance Program. Employee medical insurance premiums increased an average of 14% on January 1, 2004 and are expected to increase by another 10% effective January 1, 2005. In an overall cost reduction endeavor, the employee paid percentages toward the medical insurance premiums were increased on July 1, 2003, with the City paying 85% of the highest single premium and 70% of the highest family premium.

**INSURANCE FUND
BUDGET SUMMARY**

	<u>ACTUAL 2003</u>	<u>BUDGET 2004</u>	<u>PROJECTED 2004</u>	<u>BUDGET 2005</u>	<u>BUDGET 05 vs 04</u>	<u>% CHANGE</u>
<u>OPERATING REVENUES:</u>						
4400 Charges for Service	<u>2,858,917</u>	<u>3,378,289</u>	<u>3,319,776</u>	<u>5,233,763</u>	<u>1,855,474</u>	<u>54.9</u>
<u>OPERATING EXPENSES:</u>						
5150 TCRS	0	0	0	1,652,695	1,652,695	100.0
5160 Medical Insurance	2,177,681	2,806,120	2,592,290	3,003,425	197,305	7.0
5175 Workers Compensation	261,106	249,000	283,900	290,000	41,000	16.5
5200 Contractual Services	13,943	13,700	13,700	14,000	300	2.2
5411 Liability Insurance	227,920	225,300	296,150	304,000	78,700	34.9
5412 Property Insurance	98,617	102,000	200,000	200,000	98,000	96.1
5499 Other Insurance	<u>2,805</u>	<u>15,100</u>	<u>15,650</u>	<u>16,250</u>	<u>1,150</u>	<u>7.6</u>
Total Operating Expenses	<u>2,782,072</u>	<u>3,411,220</u>	<u>3,401,690</u>	<u>5,480,370</u>	<u>2,069,150</u>	<u>60.7</u>
Operating Income (Loss)	76,845	(32,931)	(81,914)	(246,607)	(213,676)	648.9
<u>NONOPERATING REVENUES:</u>						
4610 Interest Income	<u>8,713</u>	<u>22,500</u>	<u>10,000</u>	<u>10,000</u>	<u>(12,500)</u>	<u>-55.6</u>
Net Income (Loss)	85,558	(10,431)	(71,914)	(236,607)	(226,176)	-100.0
<u>RETAINED EARNINGS - 7/1</u>	<u>471,230</u>	<u>451,134</u>	<u>556,788</u>	<u>484,874</u>	<u>33,740</u>	<u>7.5</u>
<u>RETAINED EARNINGS - 6/30</u>	<u>556,788</u>	<u>440,703</u>	<u>484,874</u>	<u>248,267</u>	<u>(192,436)</u>	<u>-43.7</u>

**INSURANCE FUND EXPENDITURES
BY FISCAL YEAR**





SECTION VI
APPENDIX
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Legal Requirements

LEGAL REQUIREMENTS

CHARTER REQUIREMENTS

The following excerpts from the Charter of the City of Oak Ridge provide the basis for budget preparation and administration:

ARTICLE IV. TAXATION AND ISSUANCE OF OBLIGATIONS UNDER MODIFIED MANAGER-COUNCIL CHARTER

Section 7. Levy, due date and delinquencies.

Unless otherwise provided by ordinance, the schedule for levy, due date and delinquencies shall be the same as provided by general law for counties, provided that the tax levy shall be set by council not later than sixty (60) days preceding the new fiscal year.

Section 9. Previous year's levy to continue if no levy made.

If no levy is made at the time fixed for the levy, the previous year's levy shall continue in effect.

Section 12. Limitation on borrowing power.

The total amount of bonds or other evidence of indebtedness secured by the full faith and credit of the city that shall be outstanding at any one time shall not exceed ten per cent (10%) of the total appraised valuation of all real estate lying within the city limits.

Article V. CITY MANAGER

Section 3. Council-manager relationships.

The manager shall be responsible to the council for the administration of all units of the city government under his jurisdiction and for carrying out policies adopted by the council. Except for the purpose of inquiry, the council and its members shall deal with the administrative officers and employees solely through the manager. Neither the council nor any member thereof shall give orders to the manager's subordinates or otherwise interfere with managerial functions through such means as directing or requesting the appointment or removal of any of the manager's subordinates, or the making of particular purchases from, or contracts with, any specific organization. The office of any councilman violating any provision of this section shall immediately become vacant upon his conviction in a court of competent jurisdiction.

Section 4. Duties and authority of manager.

The manager shall supervise the administrative affairs of the city. He shall be charged with the preservation of the public peace and health, the safety of persons and properties, and the enforcement of the laws, ordinances and franchises, and the development and utilization of the city's resources. He shall make such reports and recommendations as he may deem desirable and perform such other duties as may be prescribed by this charter or required of him by ordinance or resolution of the council not inconsistent with this charter. He shall have the right to take part in the discussion of all matters coming before the council, but not the right to vote.

Section 5. Administrative organization.

Within the framework established by this charter, the administrative organization of the city shall be organized into departments of general government, finance, and such other departments necessary to provide health, welfare, police, recreation, fire, library, public works, utilities, and other municipal services as shall be provided in a plan of administrative organization to be developed by the city manager and submitted to the council for approval and adoption by ordinance. The council may by ordinance amend the plan of administrative organization only after receiving the written recommendations of the city manager. Administrative regulations governing the operations and relationships of departments, agencies, and offices within the administrative organization shall be prepared and issued by the city manager, provided the authority to prepare and issue departmental rules and regulations may be delegated to designated subordinates.

Section 10. Fiscal year.

The fiscal year of the city shall begin on the first day of July and shall end on the thirtieth day of June of the succeeding year, but another fiscal year may be fixed by ordinance for the entire city government or for any utility.

Section 11. Manager to prepare budget -- Contents.

After one or more council meetings devoted to guidance to the city manager with respect to the budget to be submitted, as determined by the council, on or before a date fixed by the council but not later than ninety (90) days prior to the beginning of the fiscal year, the manager shall submit to the council a proposed budget for the next fiscal year. The budget shall present a complete financial plan for the ensuing year, including at least the following information:

- (a) Detailed estimates of all proposed expenditures for each department, board, officer or other agency of the city, showing in addition the expenditures for corresponding items for the last preceding fiscal year, appropriations and anticipated expenditures for the current fiscal year, and reasons for recommended departures from the current expenditures pattern.
- (b) Statements of the bonded and other indebtedness of the city, including the debt redemption and interest requirements, the debt authorized and unissued, and the condition of the sinking funds.
- (c) Detailed estimates of all anticipated revenues of the city from all sources including current and delinquent taxes, nontax revenues and proceeds from the sale of any bonds, with a comparative statement of the amounts received by the city from each of such sources for the last preceding fiscal year, the current fiscal year, and the coming fiscal year.
- (d) A statement of the estimated balance or deficit, as of the end of the current fiscal year.
- (e) Such other supporting schedules as the council may request, or are otherwise required by law.

Section 12. Capital budget program.

As a part of the proposed annual budget, the city manager shall include a statement of pending capital projects and proposed new capital projects, relating the respective amounts proposed to

be raised therefor by appropriations in the budget and the respective amounts, if any, proposed to be raised therefor by the issuance of bonds during the fiscal year. Such pending and proposed capital projects shall be based upon the guidance of council as expressed in the guidance meeting(s) carried out under Article V, Section 11 of this Charter. Council shall use as one basis of its guidance to the manager the program of capital projects prepared annually by the planning commission. The manager shall provide the council his written comments on the planning commission program at the time of the first guidance meeting.

Section 13. Public hearing on budget - Inspection - Distribution.

A public hearing on the budget shall be held before its final adoption by the council, at such time and place as the council shall direct, and notice of such public hearing shall be published ten (10) days in advance of the date of the hearing. All persons present shall be given a reasonable opportunity to be heard for or against the estimates of any item thereof. The budget and budget message and all supporting schedules shall be a public record in the office of the city clerk open to public inspection by anyone. The city manager shall cause sufficient copies of the budget and budget message to be prepared for distribution to interested persons at least ten (10) days before the hearing.

Section 14. Adoption of budget -- Appropriation ordinance.

Before the beginning of the next fiscal year, the council shall adopt an appropriation ordinance, based on the city manager's budget with such modifications as the council considers necessary or desirable, provided that modifications in the school budget as submitted by the board of education shall be subject to the limitation of Article VI, Section 13, of this charter. Appropriations need not be in more detail than a lump sum for each fund. The council shall not make any appropriations in excess of estimated revenues, except to provide for an actual emergency threatening the health, property or lives of the inhabitants of the city and declared by a unanimous vote of all members of the council present, when there is a quorum. Provided, however, that if for any reason an appropriation ordinance is not adopted prior to the beginning of the next fiscal year, the appropriations for the last fiscal year shall become the appropriations for the next fiscal year, until the adoption of the new appropriation ordinance. The appropriation ordinance insofar as it relates to the appropriation for schools shall be further subject to the provisions of Article VI, Section 14, of this charter.

Section 15. Amendments to appropriation ordinance.

Amendments may be made to the original appropriation at any time during a current fiscal year after a public hearing before the council on five (5) days notice published once in the official city newspaper, provided that increased appropriations may be made only after the city manager has certified in writing that sufficient amount of unappropriated revenue will be available, except for emergency appropriations as provided above.

Section 16. Unexpended appropriation to lapse.

Any portion of an annual appropriation remaining unexpended and unencumbered at the close of a fiscal year shall lapse and be credited to the general fund, except that any balance remaining in any other fund at the end of a fiscal year may remain to the credit of that fund and be subject to further appropriation.

Section 17. Budget control.

At the beginning of each quarterly period during the fiscal year, and more often if required by the council, the manager shall submit to the council data showing the relations between the estimated and actual revenues and expenditures to date; and if it shall appear that the revenues are less than anticipated, the council may reduce the appropriations, as prescribed in Article V, Section 15, except amounts required for debt and interest charges, and with the further exception to such a degree as may be necessary to keep expenditures within the receipts. The manager may provide for monthly or quarterly allotments of appropriations to all departments, agencies or activities within his jurisdiction under such rules as he shall prescribe, and make transfers between departments, agencies, or activities within each fund, and when authorized by the city council, from one fund to another, provided that any transfer of moneys from the city school fund to any other fund shall be made only with the concurrence of the board of education.

A summary balance sheet, including a listing of all fund balances exceeding \$100,000.00, a summary quarterly city income and expense statement, and a statement of the number of city employees and full-time equivalent city employees shall be published quarterly in a local newspaper of general circulation.

Article VI. Public Schools Under Modified City Manager-Council Charter

Section 12. Financial management.

All school moneys appropriated by the city council, all state and county funds received for the city school system, and all other moneys, fees, revenues or income which are received by the city school system or which heretofore or hereafter are granted or permitted to the city school system shall be deposited in a city school fund to be withdrawn only upon the order of the board of education provided that a full estimate thereof shall have been summarized in each school budget and provided further that those portions of such funds derived from city appropriation ordinances shall be subject to the provisions of Article V, Sections 15-17. The board of education shall establish such school funds as are required by general law or as it considers necessary for the operation of the school system. At the end of each fiscal year an audit shall be made of the accounts and funds of the school system covering the operations of the last fiscal year by certified public accountants selected by the board. The board of education may employ certified accountants to audit all or any of the school funds and accounts at any time it may deem expedient to assure the correctness thereof. Section V, Section 22, shall apply with the board of education standing in the stead of council.

Section 13. School budget.

The city school budget submitted by the board of education through the city manager to the city council shall include estimates of all school revenues as well as estimates of expenditures necessary for the operation of the school system for the next fiscal year period. Neither the city manager nor the city council shall have any authority to modify or delete any item of the school estimates and the council shall have the power to modify only the total amount of the school budget, except that in no event shall a reduction in school budget exceed the total sum requested by the board of education from current city tax revenues. Such budget estimates shall not include any requests for the purchase of land, and the purchase, construction, reconstruction, or major alteration of any building for school purposes. Requests for such improvements shall be transmitted to the planning commission for review and incorporation into the capital improvement program before November 1 prior to the next fiscal year.

A summary balance sheet, including a listing of all fund balances exceeding \$100,000.00, a summary quarterly schools income and expense statement and a statement of the number of schools employees and full-time equivalent schools employees shall be published quarterly in a local newspaper of general circulation.

Section 14. Notice of appropriation.

The adoption by the city council of an appropriation ordinance for the next fiscal year, or the allowance of a continuation of the appropriation for the last fiscal year shall serve as notice to the board of education of the total amount of the school appropriation for the next fiscal year period.



oak
ridge



Personnel Schedule

PERSONNEL SCHEDULE

SUMMARY OF POSITIONS AND STAFF YEARS BY DEPARTMENT	<u>AUTHORIZED POSITIONS</u>			<u>AUTHORIZED STAFF YEARS</u>		
	FY	FY	FY	FY	FY	FY
	2003	2004	2005	2003	2004	2005
<u>TOTALS BY DEPARTMENT</u>						
GENERAL GOVERNMENT	11	11	11	10.60	10.60	10.60
ADMINISTRATIVE SERVICES	37	37	37	37.00	37.00	37.00
POLICE	76	70	70	74.39	70.00	70.00
FIRE	43	45	45	43.00	45.00	45.00
PUBLIC WORKS	88	87	87	88.00	87.00	87.00
COMMUNITY DEVELOPMENT	11	11	11	11.00	11.00	11.00
RECREATION AND PARKS	87	86	86	36.75	36.36	36.36
LIBRARY	23	23	23	17.00	16.68	16.68
ECONOMIC DEVELOPMENT	3	1	1	2.50	1.00	1.00
ELECTRIC	<u>34</u>	<u>34</u>	<u>34</u>	<u>34.00</u>	<u>34.00</u>	<u>34.00</u>
TOTAL ALL FUNDS	413	405	405	354.24	348.64	348.64
TRANSFERS	<u>116</u>	<u>115</u>	<u>115</u>	<u>115.50</u>	<u>115.00</u>	<u>115.00</u>
TOTAL NET GENERAL FUND	<u>297</u>	<u>290</u>	<u>290</u>	<u>238.74</u>	<u>233.64</u>	<u>233.64</u>

PERSONNEL SCHEDULE

SUMMARY OF POSITIONS AND STAFF YEARS BY DEPARTMENTS AND ACTIVITIES	AUTHORIZED POSITIONS			AUTHORIZED STAFF YEARS		
	FY	FY	FY	FY	FY	FY
	2003	2004	2005	2003	2004	2005
<u>GENERAL GOVERNMENT</u>						
816 City Clerk	2	2	2	2.00	2.00	2.00
820 City Manager	3	3	3	3.00	3.00	3.00
832 City Court	3	3	3	2.60	2.60	2.60
843 Legal	3	3	3	3.00	3.00	3.00
TOTAL GENERAL GOVERNMENT	<u>11</u>	<u>11</u>	<u>11</u>	<u>10.60</u>	<u>10.60</u>	<u>10.60</u>
<u>ADMINISTRATIVE SERVICES</u>						
845 Computer Services	9	9	9	9.00	9.00	9.00
846 Personnel	4	4	4	4.00	4.00	4.00
854 Stationery Stores	1	1	1	1.00	1.00	1.00
862 Finance	10	10	8	10.00	10.00	8.00
864 Business Office	13	13	15	13.00	13.00	15.00
TOTAL ADMINISTRATIVE SERVICES	<u>37</u>	<u>37</u>	<u>37</u>	<u>37.00</u>	<u>37.00</u>	<u>37.00</u>
<u>POLICE DEPARTMENT</u>						
910 Police Supervision	2	2	2	2.00	2.00	2.00
911 Investigations	8	8	8	8.00	8.00	8.00
912 Staff Services	6	6	6	6.00	6.00	6.00
913 Patrol	46	41	41	44.39	41.00	41.00
915 Emergency Communications	8	8	8	8.00	8.00	8.00
916 Animal Control	3	3	3	3.00	3.00	3.00
917 School Resource Officer Program	3	2	2	3.00	2.00	2.00
TOTAL POLICE DEPARTMENT	<u>76</u>	<u>70</u>	<u>70</u>	<u>74.39</u>	<u>70.00</u>	<u>70.00</u>
<u>FIRE DEPARTMENT</u>						
921 Fire Supervision	2	2	2	2.00	2.00	2.00
922 Fire Prevention	1	1	1	1.00	1.00	1.00
923 Fire Fighting	40	42	42	40.00	42.00	42.00
TOTAL FIRE DEPARTMENT	<u>43</u>	<u>45</u>	<u>45</u>	<u>43.00</u>	<u>45.00</u>	<u>45.00</u>
<u>PUBLIC WORKS DEPARTMENT</u>						
930 Public Works Supervision	5	4	4	5.00	4.00	4.00
935 Engineering	4	4	4	4.00	4.00	4.00
011 Equipment Shop	8	8	8	8.00	8.00	8.00
021 Work Pool	45	44	44	45.00	44.00	44.00
021 Water Plant	11	11	11	11.00	11.00	11.00
022 Wastewater Treatment	15	16	16	15.00	16.00	16.00
TOTAL PUBLIC WORKS DEPARTMENT	<u>88</u>	<u>87</u>	<u>87</u>	<u>88.00</u>	<u>87.00</u>	<u>87.00</u>

PERSONNEL SCHEDULE

SUMMARY OF POSITIONS AND STAFF YEARS BY DEPARTMENTS AND ACTIVITIES (Continued)	<u>AUTHORIZED POSITIONS</u>			<u>AUTHORIZED STAFF YEARS</u>		
	FY	FY	FY	FY	FY	FY
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
<u>COMMUNITY DEVELOPMENT DEPARTMENT</u>						
960 Community Development Supervision	3	3	3	3.00	3.00	3.00
962 Planning	3	2	2	3.00	2.00	2.00
966 Office of Neighborhood Improvement	5	5	5	5.00	5.00	5.00
027 Grants Fund	-	1	1	0.00	1.00	1.00
TOTAL COMMUNITY DEVELOPMENT DEPARTMENT	<u>11</u>	<u>11</u>	<u>11</u>	<u>11.00</u>	<u>11.00</u>	<u>11.00</u>
<u>RECREATION AND PARKS DEPARTMENT</u>						
970 Recreation Supervision	3	3	3	3.00	3.00	3.00
972 Indoor Aquatics	14	14	14	4.18	4.18	4.18
973 Outdoor Aquatics	26	26	26	6.27	6.27	6.27
974 Centers, Camps & Programs	33	29	29	12.80	11.02	11.02
975 Athletics	1	1	1	1.00	1.00	1.00
976 Parks	7	7	7	7.00	7.00	7.00
977 Scarboro Center	-	3	3	-	1.39	1.39
978 Senior Center	3	3	3	2.50	2.50	2.50
TOTAL RECREATION AND PARKS DEPARTMENT	<u>87</u>	<u>86</u>	<u>86</u>	<u>36.75</u>	<u>36.36</u>	<u>36.36</u>
<u>LIBRARY</u>						
979 Library	<u>23</u>	<u>23</u>	<u>23</u>	<u>17.00</u>	<u>16.68</u>	<u>16.68</u>
<u>ECONOMIC DEVELOPMENT</u>						
013 Economic Diversification Fund	<u>3</u>	<u>1</u>	<u>1</u>	<u>2.50</u>	<u>1.00</u>	<u>1.00</u>
<u>ELECTRIC DEPARTMENT</u>						
020 Electric	<u>34</u>	<u>34</u>	<u>34</u>	<u>34.00</u>	<u>34.00</u>	<u>34.00</u>
TOTAL ALL FUNDS	<u>413</u>	<u>405</u>	<u>405</u>	<u>354.24</u>	<u>348.64</u>	<u>348.64</u>
<u>TRANSFERS TO OTHER FUNDS:</u>						
Electric Fund	34	34	34	34.00	34.00	34.00
Waterworks Fund	71	71	71	71.00	71.00	71.00
Equipment Replacement Rental Fund	8	8	8	8.00	8.00	8.00
Grants Fund	-	1	1	0.00	1.00	1.00
Economic Diversification Fund	3	1	1	2.50	1.00	1.00
TOTAL TRANSFERS	<u>116</u>	<u>115</u>	<u>115</u>	<u>115.50</u>	<u>115.00</u>	<u>115.00</u>
TOTAL NET GENERAL FUND	<u>297</u>	<u>290</u>	<u>290</u>	<u>238.74</u>	<u>233.64</u>	<u>233.64</u>

PERSONNEL SCHEDULE

DETAIL ON ACTIVITIES BY CLASSIFICATION TITLES	AUTHORIZED POSITIONS			AUTHORIZED STAFF YEARS		
	FY	FY	FY	FY	FY	FY
	2003	2004	2005	2003	2004	2005
<u>GENERAL GOVERNMENT</u>						
816 City Clerk						
City Clerk	1	1	1	1.00	1.00	1.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Total	<u>2</u>	<u>2</u>	<u>2</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
820 City Manager						
City Manager	1	1	1	1.00	1.00	1.00
Government & Public Affairs Coordinator	1	1	1	1.00	1.00	1.00
Senior Administrative Assistant	1	1	1	1.00	1.00	1.00
Total	<u>3</u>	<u>3</u>	<u>3</u>	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>
832 City Court						
City Judge	1	1	1	1.00	1.00	1.00
Court Clerk	2	2	2	1.60	1.60	1.60
Total	<u>3</u>	<u>3</u>	<u>3</u>	<u>2.60</u>	<u>2.60</u>	<u>2.60</u>
843 Legal						
City Attorney	1	1	1	1.00	1.00	1.00
Senior Staff Attorney	1	1	1	1.00	1.00	1.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Total	<u>3</u>	<u>3</u>	<u>3</u>	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>
TOTAL GENERAL GOVERNMENT	<u>11</u>	<u>11</u>	<u>11</u>	<u>10.60</u>	<u>10.60</u>	<u>10.60</u>
<u>ADMINISTRATIVE SERVICES</u>						
845 Computer Services						
Deputy City Manager	1	1	1	1.00	1.00	1.00
Senior Systems Analyst	2	2	2	2.00	2.00	2.00
Information Systems Manager	1	1	1	1.00	1.00	1.00
Senior Information Specialist	1	2	2	1.00	2.00	2.00
Information Specialist	3	2	2	3.00	2.00	2.00
Accounting Specialist	1	1	1	1.00	1.00	1.00
Total	<u>9</u>	<u>9</u>	<u>9</u>	<u>9.00</u>	<u>9.00</u>	<u>9.00</u>

PERSONNEL SCHEDULE

DETAIL ON ACTIVITIES BY CLASSIFICATION TITLES (Continued)	AUTHORIZED POSITIONS			AUTHORIZED STAFF YEARS		
	FY	FY	FY	FY	FY	FY
	2003	2004	2005	2003	2004	2005
<u>ADMINISTRATIVE SERVICES (Continued)</u>						
846 Personnel						
Personnel Director	1	1	1	1.00	1.00	1.00
Personnel/Risk Program Manager	1	1	1	1.00	1.00	1.00
Personnel Specialist	1	1	1	1.00	1.00	1.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Total	4	4	4	4.00	4.00	4.00
854 Stationery Stores						
Printing Services Specialist	1	1	1	1.00	1.00	1.00
862 Finance						
Finance Director	1	1	-	1.00	1.00	-
Accounting Division Manager	1	1	1	1.00	1.00	1.00
Accountant	1	1	1	1.00	1.00	1.00
Contracts/Grants Coordinator	-	1	1	-	1.00	1.00
Purchasing/Contracts Coordinator	1	-	-	1.00	-	-
Purchasing/Inventory Coordinator	1	1	1	1.00	1.00	1.00
Accounting Specialist	2	2	1	2.00	2.00	1.00
Administrative Assistant	-	1	1	-	1.00	1.00
Accounting Clerk	1	-	-	1.00	-	-
Warehouse Clerk	2	2	2	2.00	2.00	2.00
Total	10	10	8	10.00	10.00	8.00
864 Business Office						
Finance Director	-	-	1	-	-	1.00
Accounting Division Manager	1	1	1	1.00	1.00	1.00
Utility Service Representative	2	3	3	2.00	3.00	3.00
Accounting Specialist	5	5	6	5.00	5.00	6.00
Meter Reader	2	2	2	2.00	2.00	2.00
Accounting Clerk	2	1	1	2.00	1.00	1.00
Service Center Cashier	1	1	1	1.00	1.00	1.00
Total	13	13	15	13.00	13.00	15.00
TOTAL ADMINISTRATIVE SERVICES	37	37	37	37.00	37.00	37.00

PERSONNEL SCHEDULE

DETAIL ON ACTIVITIES BY CLASSIFICATION TITLES (Continued)	AUTHORIZED POSITIONS			AUTHORIZED STAFF YEARS		
	FY	FY	FY	FY	FY	FY
	2003	2004	2005	2003	2004	2005
<u>POLICE DEPARTMENT</u>						
910 Police Supervision						
Police Chief	1	1	1	1.00	1.00	1.00
Administrative Assistant	<u>1</u>	<u>1</u>	<u>1</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
Total	2	2	2	2.00	2.00	2.00
911 Investigations						
Police Lieutenant	1	1	1	1.00	1.00	1.00
Police Sergeant	1	1	1	1.00	1.00	1.00
Police Officer	2	2	2	2.00	2.00	2.00
Detective	<u>4</u>	<u>4</u>	<u>4</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>
Total	8	8	8	8.00	8.00	8.00
912 Staff Services						
Police Lieutenant	1	1	1	1.00	1.00	1.00
Police Sergeant	2	2	2	2.00	2.00	2.00
Lead Police Records Specialist	1	1	1	1.00	1.00	1.00
Police Records Specialist	<u>2</u>	<u>2</u>	<u>2</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Total	6	6	6	6.00	6.00	6.00
913 Patrol						
Police Captain	1	1	1	1.00	1.00	1.00
Police Lieutenant	4	4	4	4.00	4.00	4.00
Police Sergeant	5	5	5	5.00	5.00	5.00
Systems & Training Specialist	1	1	1	1.00	1.00	1.00
Police Officer	33	30	30	33.00	30.00	30.00
School Crossing Guard	<u>2</u>	<u>-</u>	<u>-</u>	<u>0.39</u>	<u>-</u>	<u>-</u>
Total	46	41	41	44.39	41.00	41.00
915 Emergency Communications						
Lead Public Safety Communications Officer	1	1	1	1.00	1.00	1.00
Public Safety Communications Officer	<u>7</u>	<u>7</u>	<u>7</u>	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>
Total	8	8	8	8.00	8.00	8.00
916 Animal Control						
Animal Control Supervisor	1	1	1	1.00	1.00	1.00
Animal Control Officer	<u>2</u>	<u>2</u>	<u>2</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Total	3	3	3	3.00	3.00	3.00
917 School Resource Officer Program						
Police Officer	3	2	2	3.00	2.00	2.00
TOTAL POLICE DEPARTMENT	<u>76</u>	<u>70</u>	<u>70</u>	<u>74.39</u>	<u>70.00</u>	<u>70.00</u>

PERSONNEL SCHEDULE

DETAIL ON ACTIVITIES BY CLASSIFICATION TITLES (Continued)	AUTHORIZED POSITIONS			AUTHORIZED STAFF YEARS		
	FY	FY	FY	FY	FY	FY
	2003	2004	2005	2003	2004	2005
<u>FIRE DEPARTMENT</u>						
921 Fire Supervision						
Fire Chief	1	1	1	1.00	1.00	1.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Total	<u>2</u>	<u>2</u>	<u>2</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
922 Fire Prevention						
Deputy Chief-Fire Prevention	1	1	1	1.00	1.00	1.00
923 Fire Fighting						
Deputy Chief-Fire Operations	1	-	-	1.00	-	-
Battalion Chief	3	3	3	3.00	3.00	3.00
Fire Captain	6	6	6	6.00	6.00	6.00
Fire Fighter/Engineer	<u>30</u>	<u>33</u>	<u>33</u>	<u>30.00</u>	<u>33.00</u>	<u>33.00</u>
Total	40	42	42	40.00	42.00	42.00
TOTAL FIRE DEPARTMENT	<u>43</u>	<u>45</u>	<u>45</u>	<u>43.00</u>	<u>45.00</u>	<u>45.00</u>
 <u>PUBLIC WORKS DEPARTMENT</u>						
930 Public Works Supervision						
Public Works Director	1	1	1	1.00	1.00	1.00
Public Works Operations Manager	-	1	1	-	1.00	1.00
Public Works Division Manager	1	-	-	1.00	0.00	0.00
Civil Engineer	1	-	-	1.00	-	-
Administrative Assistant	<u>2</u>	<u>2</u>	<u>2</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Total	5	4	4	5.00	4.00	4.00
935 Engineering						
City Engineer	1	1	1	1.00	1.00	1.00
Senior Civil Project Specialist	1	1	1	1.00	1.00	1.00
Civil Project Specialist	<u>2</u>	<u>2</u>	<u>2</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Total	4	4	4	4.00	4.00	4.00
011 Equipment Shop						
Fleet Maintenance Manager	1	1	1	1.00	1.00	1.00
Fleet Maintenance Technician	5	5	5	5.00	5.00	5.00
Fleet Service Worker	<u>2</u>	<u>2</u>	<u>2</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Total	8	8	8	8.00	8.00	8.00

PERSONNEL SCHEDULE

DETAIL ON ACTIVITIES BY CLASSIFICATION TITLES (Continued)	AUTHORIZED POSITIONS			AUTHORIZED STAFF YEARS		
	FY	FY	FY	FY	FY	FY
	2003	2004	2005	2003	2004	2005
<u>PUBLIC WORKS DEPARTMENT (Continued)</u>						
021 Work Pool						
Operations & Maintenance Manager	1	2	2	1.00	2.00	2.00
Facilities Maintenance Manager	1	-	-	1.00	-	-
Treatment Plant Maintenance Crew Chief	1	1	1	1.00	1.00	1.00
Utility Line Maintenance Crew Chief	4	4	4	4.00	4.00	4.00
Street Maintenance Crew Chief	3	3	3	3.00	3.00	3.00
Utility Maintenance Specialist	3	3	3	3.00	3.00	3.00
Treatment Plant Maintenance Specialist	2	2	2	2.00	2.00	2.00
Signs and Markings Specialist	1	1	1	1.00	1.00	1.00
Facilities Maintenance Specialist	3	2	3	3.00	2.00	3.00
Equipment Operations Specialist	4	4	4	4.00	4.00	4.00
Maintenance Mechanic	9	9	9	9.00	9.00	9.00
Maintenance Worker	13	13	12	13.00	13.00	12.00
Total	45	44	44	45.00	44.00	44.00
021 Water Treatment						
Treatment Plant Operations Supervisor	1	1	1	1.00	1.00	1.00
Treatment Plant Maintenance Crew Chief	1	1	1	1.00	1.00	1.00
Treatment Plant Maintenance Specialist	2	2	2	2.00	2.00	2.00
Senior Treatment Plant Operator	2	2	2	2.00	2.00	2.00
Treatment Plant Operator	3	3	3	3.00	3.00	3.00
Maintenance Worker	2	2	2	2.00	2.00	2.00
Total	11	11	11	11.00	11.00	11.00
TOTAL WATER FUND	56	55	55	56.00	55.00	55.00
022 Wastewater Treatment						
Public Works Division Manager	1	1	1	1.00	1.00	1.00
Treatment Plant Maintenance Supervisor	1	1	1	1.00	1.00	1.00
Civil Engineer	-	1	1	-	1.00	1.00
Treatment Plant Operations Supervisor	1	1	1	1.00	1.00	1.00
Laboratory Technician	1	1	1	1.00	1.00	1.00
Environmental Compliance Coordinator	1	1	1	1.00	1.00	1.00
Senior Treatment Plant Operator	1	2	3	1.00	2.00	3.00
Treatment Plant Operator	8	7	6	8.00	7.00	6.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Total	15	16	16	15.00	16.00	16.00
TOTAL PUBLIC WORKS DEPARTMENT	88	87	87	88.00	87.00	87.00

PERSONNEL SCHEDULE

DETAIL ON ACTIVITIES BY CLASSIFICATION TITLES (Continued)	AUTHORIZED POSITIONS			AUTHORIZED STAFF YEARS		
	FY	FY	FY	FY	FY	FY
	2003	2004	2005	2003	2004	2005
<u>COMMUNITY DEVELOPMENT DEPARTMENT</u>						
960 Community Development Supervision						
Community Development Director	1	1	1	1.00	1.00	1.00
Administrative Assistant	2	2	2	2.00	2.00	2.00
Total	<u>3</u>	<u>3</u>	<u>3</u>	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>
962 Planning						
Senior Planner	2	2	2	2.00	2.00	2.00
Mapping Technician	1	-	-	1.00	-	-
Total	<u>3</u>	<u>2</u>	<u>2</u>	<u>3.00</u>	<u>2.00</u>	<u>2.00</u>
966 Office Of Neighborhood Improvement						
Community Developemnt Division Manager	1	1	1	1.00	1.00	1.00
Code Enforcement Supervisor	1	1	1	1.00	1.00	1.00
Senior Code Enforcement Inspector	2	1	1	2.00	1.00	1.00
Code Enforcement Inspector	1	2	2	1.00	2.00	2.00
Total	<u>5</u>	<u>5</u>	<u>5</u>	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>
027 Grants Fund						
Property Maintenance Inspector	-	1	1	-	1.00	1.00
Total	<u>-</u>	<u>1</u>	<u>1</u>	<u>0.00</u>	<u>1.00</u>	<u>1.00</u>
TOTAL COMMUNITY DEVELOPMENT DEPARTMENT	<u>11</u>	<u>11</u>	<u>11</u>	<u>11.00</u>	<u>11.00</u>	<u>11.00</u>
 <u>RECREATION AND PARKS DEPARTMENT</u>						
970 Recreation Supervision						
Recreation & Parks Director	1	1	1	1.00	1.00	1.00
Recreation Program Supervisor	1	1	1	1.00	1.00	1.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Total	<u>3</u>	<u>3</u>	<u>3</u>	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>
972 Indoor Aquatics						
Recreation Manager	1	1	1	0.75	0.75	0.75
Senior Lifeguard	7	7	7	2.00	2.00	2.00
Lifeguard	6	6	6	1.43	1.43	1.43
Total	<u>14</u>	<u>14</u>	<u>14</u>	<u>4.18</u>	<u>4.18</u>	<u>4.18</u>

PERSONNEL SCHEDULE

DETAIL ON ACTIVITIES BY CLASSIFICATION TITLES (Continued)	AUTHORIZED POSITIONS			AUTHORIZED STAFF YEARS		
	FY	FY	FY	FY	FY	FY
	2003	2004	2005	2003	2004	2005
RECREATION AND PARKS DEPARTMENT (Continued)						
973 Outdoor Aquatics						
Recreation Manager	1	1	1	0.25	0.25	0.25
Pool Supervisor	3	3	3	0.92	0.92	0.92
Recreation Leader	2	2	2	0.62	0.62	0.62
Senior Lifeguard	11	11	11	3.38	3.38	3.38
Lifeguard	9	9	9	1.10	1.10	1.10
Total	26	26	26	6.27	6.27	6.27
974 Centers, Camps & Programs						
Recreation Manager	1	1	1	1.00	1.00	1.00
Recreation Program Coordinator	2	1	1	2.00	1.00	1.00
Security Guard	4	4	4	0.25	0.25	0.25
Recreation Assistant	2	2	2	1.50	1.50	1.50
Facility Monitor	4	3	3	3.39	3.00	3.00
Maintenance Worker	1	1	1	1.00	1.00	1.00
Senior Recreation Leader	5	5	5	0.96	0.96	0.96
Recreation Leader	14	12	12	2.70	2.31	2.31
Total	33	29	29	12.80	11.02	11.02
975 Athletics						
Recreation Program Supervisor	1	1	1	1.00	1.00	1.00
976 Parks						
Parks Maintenance Supervisor	1	1	1	1.00	1.00	1.00
Parks Maintenance Crew Chief	1	1	1	1.00	1.00	1.00
Maintenance Mechanic	1	1	1	1.00	1.00	1.00
Maintenance Worker	4	4	4	4.00	4.00	4.00
Total	7	7	7	7.00	7.00	7.00
977 Scarboro Center						
Recreation Program Supervisor	-	1	1	-	1.00	1.00
Recreation Leader	-	2	2	-	0.39	0.39
Total	-	3	3	-	1.39	1.39
978 Senior Center						
Recreation Manager	1	1	1	1.00	1.00	1.00
Recreation Program Coordinator	1	1	1	1.00	1.00	1.00
Recreation Assistant	1	1	1	0.50	0.50	0.50
Total	3	3	3	2.50	2.50	2.50
TOTAL RECREATION AND PARKS DEPARTMENT	87	86	86	36.75	36.36	36.36

PERSONNEL SCHEDULE

DETAIL ON ACTIVITIES BY CLASSIFICATION TITLES (Continued)	<u>AUTHORIZED POSITIONS</u>			<u>AUTHORIZED STAFF YEARS</u>		
	FY	FY	FY	FY	FY	FY
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
<u>LIBRARY</u>						
979 Library						
Library Director	1	1	1	1.00	1.00	1.00
Library Operations Manager	1	1	1	1.00	1.00	1.00
Librarian	4	4	4	4.00	4.00	4.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Library Assistant	3	3	3	2.00	2.00	2.00
Library Clerk	8	8	8	6.25	6.05	6.05
Library Page	5	5	5	1.75	1.63	1.63
TOTAL LIBRARY	<u>23</u>	<u>23</u>	<u>23</u>	<u>17.00</u>	<u>16.68</u>	<u>16.68</u>
<u>ECONOMIC DEVELOPMENT</u>						
013 Economic Diversification Fund						
Economic Development Director	1	1	1	1.00	1.00	1.00
Senior Planner	1	-	-	0.50	-	-
Administrative Assistant	1	-	-	1.00	-	-
TOTAL ECONOMIC DEVELOPMENT	<u>3</u>	<u>1</u>	<u>1</u>	<u>2.50</u>	<u>1.00</u>	<u>1.00</u>
<u>ELECTRIC DEPARTMENT</u>						
020 Electric						
Electrical Director	1	1	1	1.00	1.00	1.00
Electrical Engineering Division Manager	1	1	1	1.00	1.00	1.00
Senior Electric Project Specialist	2	2	2	2.00	2.00	2.00
Electric Operations Manager	1	1	1	1.00	1.00	1.00
Electric Operations Superintendent	1	1	1	1.00	1.00	1.00
Technical Services Superintendent	1	1	1	1.00	1.00	1.00
Power Utilization Program Supervisor	1	1	1	1.00	1.00	1.00
Electric Engineer	1	1	1	1.00	1.00	1.00
Electric Line Crew Chief	4	4	4	4.00	4.00	4.00
Substation Maintenance Technician	1	1	1	1.00	1.00	1.00
Electric Line Technician II	13	13	13	13.00	13.00	13.00
Electrical Specialist	2	2	2	2.00	2.00	2.00

PERSONNEL SCHEDULE

DETAIL ON ACTIVITIES BY CLASSIFICATION TITLES (Continued)	AUTHORIZED POSITIONS			AUTHORIZED STAFF YEARS		
	FY	FY	FY	FY	FY	FY
	2003	2004	2005	2003	2004	2005
<u>ELECTRIC DEPARTMENT (continued)</u>						
SeniorTraffic Signal Technician	2	2	1	2.00	2.00	1.00
Traffic Signal Technician	-	-	1	-	-	1.00
Mapping Technician	1	1	1	1.00	1.00	1.00
Administrative Assistant	1	1	1	1.00	1.00	1.00
Office Specialist	1	1	1	1.00	1.00	1.00
TOTAL ELECTRIC DEPARTMENT	<u>34</u>	<u>34</u>	<u>34</u>	<u>34.00</u>	<u>34.00</u>	<u>34.00</u>
TOTAL ALL FUNDS	<u>413</u>	<u>405</u>	<u>405</u>	<u>354.24</u>	<u>348.64</u>	<u>348.64</u>
<u>TRANSFERS TO OTHER FUNDS:</u>						
Electric Fund	34	34	34	34.00	34.00	34.00
Waterworks Fund	71	71	71	71.00	71.00	71.00
Equipment Replacement Rental Fund	8	8	8	8.00	8.00	8.00
Grants Fund	-	1	1	0.00	1.00	1.00
Economic Diversification Fund	3	1	1	2.50	1.00	1.00
	<u>116</u>	<u>115</u>	<u>115</u>	<u>115.50</u>	<u>115.00</u>	<u>115.00</u>
TOTAL NET GENERAL FUND	<u>297</u>	<u>290</u>	<u>290</u>	<u>238.74</u>	<u>233.64</u>	<u>233.64</u>



oak
ridge



Statistical
Information

CITY OF OAK RIDGE, TENNESSEE
GENERAL FUND EXPENDITURES/TRANSFERS AND REVENUES/FINANCING SOURCES

Last Ten Years

	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	% Increase Last Ten Years
MUNICIPAL EXPENDITURES											
General Government	441,312	488,139	486,124	457,861	502,345	599,052	621,635	554,922	625,416	662,177	50.0%
Administration	608,196	599,578	513,660	578,292	572,739	596,527	645,426	664,146	666,639	712,873	17.2%
Police	2,606,062	2,925,282	2,966,982	3,062,511	3,573,746	3,756,265	3,949,928	4,045,992	4,109,573	4,335,623	66.4%
Fire	2,225,129	2,458,452	2,521,393	2,623,719	2,757,054	2,837,650	3,098,154	3,141,566	3,174,246	3,359,397	51.0%
Public Works	1,224,708	1,195,325	1,195,921	1,392,038	1,324,769	1,459,623	1,558,523	1,640,685	1,569,310	1,753,310	43.2%
Community Development	376,282	417,851	407,773	438,587	364,263	407,996	434,284	461,997	502,051	501,422	33.3%
Recreation and Parks	1,476,245	1,559,124	1,545,969	1,650,805	1,749,852	1,801,148	1,951,341	1,948,694	2,031,101	2,228,975	51.0%
Library	741,504	778,709	787,706	788,970	835,928	892,926	994,557	945,977	1,017,939	1,045,519	41.0%
Other	213,817	165,542	184,303	108,736	264,174	375,323	182,734	0	0	0	-100.0%
Total Municipal Expenditures	9,913,255	10,588,002	10,589,831	11,101,529	11,944,870	12,726,510	13,434,582	13,403,979	13,696,275	14,599,296	47.3%

OPERATING TRANSFERS:

Agencies	39,112	26,650	0	0	0	73,000	0	0	0	0	-100.0%
Debt Service Fund	1,822,070	1,063,680	993,694	2,217,431	3,114,066	3,243,261	3,903,938	4,747,305	4,621,305	4,213,207	131.2%
Solid Waste Fund	895,198	928,956	928,760	1,492,100	1,560,000	904,369	891,849	918,163	973,422	992,664	10.9%
State Street Aid Fund	0	0	0	60,000	249,000	310,000	395,000	500,000	285,000	500,000	100.0%
School Operations	7,493,354	7,888,895	8,145,544	8,393,820	8,433,558	8,605,065	8,830,065	9,553,768	9,949,638	10,646,242	42.1%
Economic Diversification Fund	0	0	0	0	0	0	605,519	1,305,099	1,331,688	1,146,665	100.0%
Capital Projects Fund	1,476,245	0	0	0	500,000	0	0	410,000	617,000	711,000	100.0%
Golf Course Fund	0	0	0	0	0	0	0	0	200,000	713,000	100.0%
Total Operating Transfers	10,249,734	9,908,181	10,067,998	12,163,351	13,856,624	13,135,695	14,626,371	17,434,335	17,959,053	19,922,778	84.6%
Total Expenditures/Transfers	20,162,989	20,496,183	20,657,829	23,264,880	25,801,494	25,862,205	28,060,953	30,838,314	31,654,328	33,522,074	66.3%

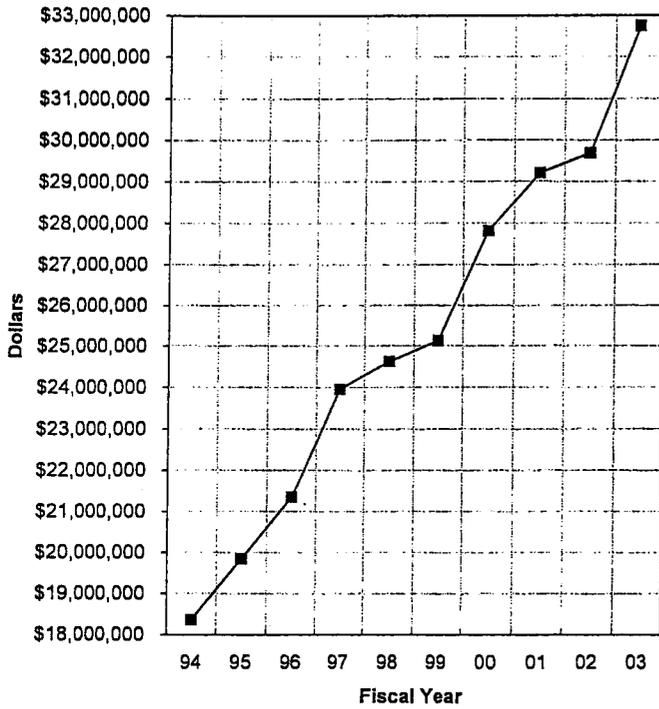
REVENUES:

Licenses and Permits	199,019	182,436	155,618	116,750	143,627	141,617	251,324	223,135	173,780	197,357	-0.8%
Intergovernmental	7,589,044	7,984,725	8,570,787	8,451,242	8,295,176	8,074,301	8,451,752	8,384,878	8,743,814	9,316,309	22.8%
Property Taxes	7,673,598	8,436,540	8,927,340	10,222,382	10,943,356	11,573,489	13,300,963	15,005,308	15,544,400	17,769,773	131.6%
Business Taxes	1,608,703	1,686,739	1,754,285	1,754,269	1,747,801	1,855,266	1,801,686	1,746,135	1,898,167	2,006,517	24.7%
Charges for Services	458,169	562,145	541,337	1,447,345	1,466,153	1,450,254	1,366,592	1,377,231	1,390,694	1,393,281	204.1%
Fines and Forfeitures	252,436	294,394	377,451	326,081	371,023	410,361	301,216	339,987	285,514	331,069	31.1%
Other	580,148	691,416	855,600	895,287	866,878	836,911	1,442,300	982,396	478,887	437,019	-24.7%
In-Lieu-of-Tax Payment - DOE	0	0	187,845	742,585	793,447	789,395	902,644	1,143,832	1,176,297	1,297,898	100.0%
Total Current Revenues	18,361,117	19,848,395	21,350,263	23,955,941	24,627,459	25,131,594	27,818,477	29,204,902	29,689,563	32,749,223	78.4%
Fund Balance Appropriation	1,801,872	647,788	0	0	1,174,035	730,611	242,476	1,633,412	1,964,765	772,851	-57.1%
Total Revenues	20,162,989	20,496,183	21,350,263	23,955,941	25,801,494	25,862,205	28,060,953	30,838,314	31,654,328	33,522,074	60.9%

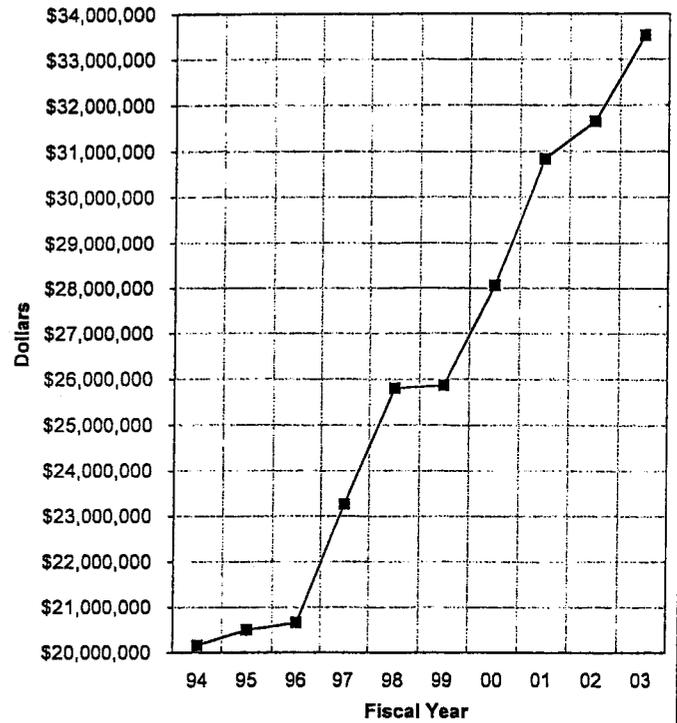
EXPENDITURES FOR MUNICIPAL OPERATIONS COMPARED TO THE RATE OF INFLATION:

- Applicable Consumer Price Index, All Urban Consumers, All Items	148.0	152.5	156.7	160.3	163	166.2	172.3	178.0	179.9	183.7	24.1%
- Percentage Inflation Increase from Previous Year	2.5%	3.0%	2.8%	2.3%	1.7%	2.0%	3.7%	3.3%	1.1%	2.1%	24.5%
- Percentage Increase in Municipal Expenditures and Solid Waste Transfer	2.7%	6.6%	0.0%	9.3%	7.2%	0.9%	5.1%	0.0%	2.4%	6.3%	44.3%

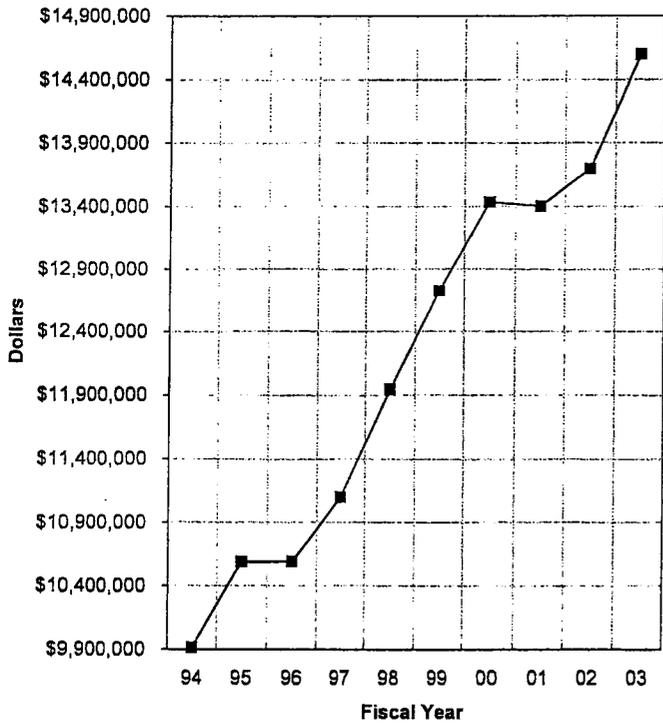
**General Fund Revenues
Last Ten Years**



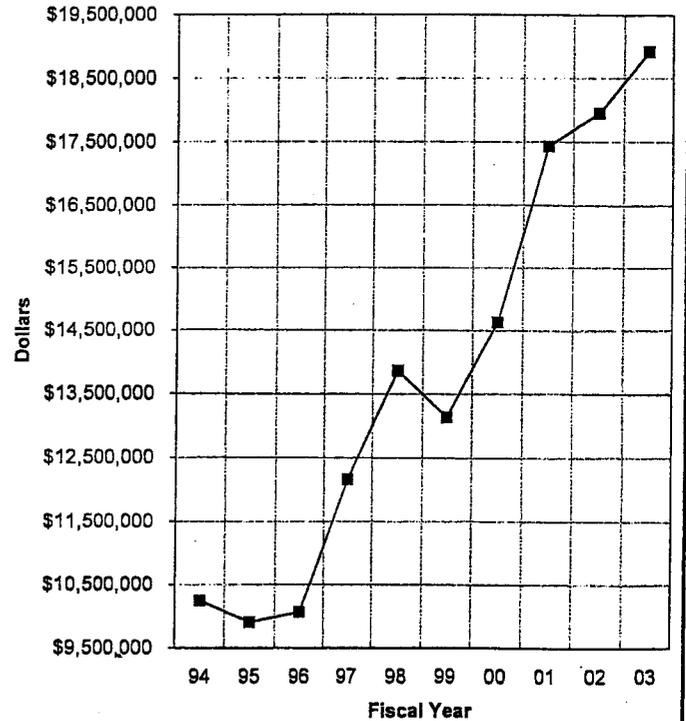
**General Fund Expenditures/Transfers
Last Ten Years**



**General Fund Municipal Expenditures
Last Ten Years**



**General Fund Operating Transfers
Last Ten Years**



CITY OF OAK RIDGE, TENNESSEE
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy	Current Tax Collections	Percentage of Levy Collected	Delinquent Tax Collections (1)	Total Tax Collections	Total Collections as Percentage of Tax Levy	Outstanding Delinquent Taxes (2)	Outstanding Delinquent Taxes as Percentage of Tax Levy
1994	6,751,192	6,657,080	99%	75,429	6,732,509	100%	152,576	2%
1995	7,608,640	7,501,655	99%	177,362	7,679,017	101%	177,020	2%
1996	8,123,777	7,994,789	98%	79,855	8,074,644	99%	200,410	2%
1997	9,311,579	9,112,842	98%	96,972	9,209,814	99%	245,811	3%
1998	9,891,970	9,684,743	98%	163,498	9,848,241	100%	330,146	3%
1999	10,484,535	10,245,066	98%	177,715	10,422,781	99%	350,094	3%
2000	11,710,850	11,283,542	96%	156,992	11,440,534	98%	641,362	5%
2001	12,970,084	12,585,185	97%	133,108	12,718,293	98%	776,716	6%
2002	13,579,083	12,921,156	95%	281,803	13,202,959	97%	773,142	6%
2003	15,066,995	14,768,834	98%	482,851	15,251,685	101%	589,856	4%

Note:

(1) Each amount includes collections for any prior year's delinquent taxes received in the year presented.

(2) Delinquent real property taxes through fiscal year 1995 have been filed with the applicable county Clerk and Master as a delinquent tax lien.

CITY OF OAK RIDGE, TENNESSEE

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

Fiscal Year	Real Property		Personal Property		Public Utility Property		Total		Ratio of Total Assessed to Total Estimated Actual Value
	Assessed Value (1)	Estimated Actual Value	Assessed Value (1)	Estimated Actual Value	Assessed Value (1)	Estimated Actual Value	Assessed Value (1)	Estimated Actual Value	
1994	341,522,144	1,136,311,163	32,617,179	108,723,814	16,102,906	29,278,011	390,242,229	1,274,312,988	31%
1995	351,725,682	1,167,707,212	33,274,114	110,913,528	15,453,574	28,097,407	400,453,370	1,306,718,147	31%
1996	361,427,703	1,201,690,700	32,524,330	108,414,433	16,339,725	29,708,590	410,291,758	1,339,813,723	31%
1997	369,397,050	1,225,056,500	36,707,763	122,359,210	19,080,767	34,692,304	425,185,580	1,382,108,014	31%
1998	371,299,256	1,234,949,502	39,346,941	131,172,126	12,087,566 (3)	21,977,393 (3)	422,733,763	1,388,099,021	30%
1999	439,574,710 (2)	1,488,553,300 (2)	46,459,688 (2)	154,865,627 (2)	15,617,983 (2)	28,396,333 (2)	501,652,381 (2)	1,671,815,260 (2)	30%
2000	443,329,438	1,491,097,145	48,111,477	160,371,590	15,549,682	28,272,151	506,980,597	1,679,740,886	30%
2001	443,712,065	1,503,891,804	46,228,403	154,094,464	14,732,079	26,785,601	504,672,547	1,684,771,869	30%
2002	452,459,608	1,532,308,228	47,009,498	156,698,171	12,948,598	23,542,906	512,417,704	1,712,549,305	30%
2003	454,787,962	1,541,654,110	46,245,603	154,152,010	11,449,272	20,816,860	512,482,837	1,716,622,980	30%

Notes:

- (1) Overall assessment ratios and effective rates for 1973 and thereafter are weighted averages due to varying constitutional assessment ratios which became effective statewide January 1, 1973. Assessment ratios are Residential Property, Real at 25 percent with all bank accounts and \$7,500 of all other items in the hands of a taxpayer exempt; Commercial and Industrial - Real at 40 percent and Personal at 30 percent except that the Personal Property of eligible Banks is 40 percent; Public Utilities (excluding Railroads and Telecommunications) - All Property both Real and Personal at 55 percent; Railroads and Telecommunications - Real and Personal at 40 percent.
- (2) All properties were reappraised in tax year 1998 (fiscal year 1999).
- (3) The assessed value for Public Utility properties declined in fiscal 1998 due to a statewide court awarded reduction in the assessment ratio from 55 percent to 40 percent for specific public utilities. Additionally, after several years of appeals, the final determination of value for Belisouth properties resulted in a reduced assessment for those properties, both in the City and statewide.

CITY OF OAK RIDGE, TENNESSEE

RATIO OF NET GENERAL OBLIGATION DEBT (1)
TO ASSESSED VALUE AND NET GENERAL OBLIGATION DEBT PER CAPITA

LAST TEN FISCAL YEARS

Fiscal Year	Population*	Assessed Value	General Obligation (1) Debt	Debt Service Monies Available	Net General Obligation Debt	Ratio of Net General Obligation Debt to Assessed Value	Net General Obligation Debt Per Capita
1994	27,310	390,242,229	18,816,127	138,255	18,677,872	4.79%	684
1995	27,310	400,453,370	30,362,606	2,194	30,360,412	7.58%	1112
1996	27,310	410,291,758	29,996,636	18,139	29,978,497	7.31%	1,098
1997	27,310	425,185,580	44,936,930	21,492	44,915,438	10.56%	1,645
1998	27,310	422,733,763	45,987,130	30,008	45,957,122	10.87%	1,683
1999	27,310	501,652,381 (2)	47,167,927	9,761	47,158,166	9.40%	1,727
2000	27,387	506,990,597	55,766,665	41,667	55,724,998	10.99%	2,035
2001	27,387	504,672,547	54,877,746	85,765	54,791,981	10.86%	2,001
2002	27,387	512,417,704	52,314,464	783,398	51,531,066	10.06%	1,882
2003	27,387	512,482,837	50,273,005	1,239,747	49,033,258	9.57%	1,790

*Source: U.S. Census

(1) This excludes general obligation debt in which debt service is to be funded through an Enterprise Fund.

(2) The assessed value reflects a reappraisal of real property.

**CITY OF OAK RIDGE, TENNESSEE
LONG-TERM INDEBTEDNESS AND DEBT RATIOS
FOR THE LAST FIVE FISCAL YEARS**

	1999	2000	2001	2002	2003
<u>INDEBTEDNESS</u>					
GENERAL OBLIGATION DEBT:					
General Obligation Bonds	\$ 40,520,000	\$ 48,890,000	\$ 29,515,000	\$ 27,235,000	\$ 29,176,000
Capital Outlay Notes	559,774	235,199	160,592	82,255	-
Tennessee Municipal Bond Fund Loan	1,210,369	1,189,558	1,167,296	1,143,483	725,028
TN-LOANS	2,495,438	3,213,000	21,783,000	21,783,000	18,570,000
General Obligation Bonds City Equipment Replacement Rental Fund	2,026,681	1,934,027	2,000,890	1,876,991	1,669,000
Capital Leases	355,665	304,881	250,968	193,735	132,977
TOTAL GENERAL OBLIGATION DEBT	\$ 47,167,927	\$ 55,766,665	\$ 54,877,746	\$ 52,314,464	\$ 50,273,005
REVENUE SUPPORTED DEBT:					
Waterworks Fund General Obligation Bonds	-	-	-	-	\$ 5,125,000
Waterworks Fund TLDA Bonds and Notes	564,283	142,230	130,370	117,921	104,846
Waterworks Fund Tennessee Municipal Bond Fund Loan	5,966,531	5,863,942	5,754,204	6,493,316	4,174,572
Waterworks Fund TN-LOANS	2,432,000	2,432,000	2,432,000	2,432,000	-
Waterworks Fund State Revolving Program Loan	932,727	7,152,603	12,419,047	14,527,214	14,718,277
Golf Course Fund Notes	7,205,000	7,130,000	7,050,000	6,965,000	6,800,000
Electric Fund Bonds	11,565,000	15,060,000	6,020,000	5,745,000	11,980,000
Electric TN-LOANS	3,000,000	2,905,000	13,045,056	15,767,348	10,380,000
TOTAL REVENUE SUPPORTED DEBT	\$ 31,665,541	\$ 40,685,775	\$ 46,850,677	\$ 52,047,799	\$ 53,282,695
TOTAL LONG-TERM DEBT	\$ 78,833,468	\$ 96,452,440	\$ 101,728,423	\$ 104,362,263	\$ 103,555,700
Less: Debt Service Fund	(9,761)	(41,667)	(85,765)	(783,398)	(1,239,747)
Less: Revenue Supported	(31,665,541)	(40,685,775)	(46,850,677)	(52,047,799)	(53,282,695)
NET GENERAL OBLIGATION DEBT	\$ 47,158,166	\$ 55,724,998	\$ 54,791,981	\$ 51,531,066	\$ 49,033,258
OVERLAPPING DEBT - (1)	9,814,754	10,358,037	8,970,008	9,906,522	14,945,752
NET GENERAL OBLIGATION & OVERLAPPING DEBT	\$ 56,972,920	\$ 66,083,035	\$ 63,761,989	\$ 61,437,588	\$ 63,979,010
<u>TOTAL PROPERTY TAXES</u>					
Actual Value	\$ 1,671,815,260	\$ 1,679,740,886	\$ 1,894,064,739	\$ 1,864,303,620	\$ 1,868,738,276
Appraised Value	1,671,815,260	1,679,740,886	1,684,771,869	1,712,549,305	1,716,622,980
Assessed Value	501,652,381	506,990,597	504,672,547	512,417,704	512,482,837

(Continued)

**CITY OF OAK RIDGE, TENNESSEE
LONG-TERM INDEBTEDNESS AND DEBT RATIOS
FOR THE LAST FIVE FISCAL YEARS**

	1999	2000	2001	2002	2003
DEBT RATIOS					
TOTAL LONG TERM DEBT to Actual Value	4.72%	5.74%	5.55%	5.60%	5.54%
TOTAL LONG TERM DEBT to Appraised Value	4.72%	5.74%	6.04%	6.09%	6.03%
TOTAL LONG TERM DEBT to Assessed Value	15.71%	19.02%	20.16%	20.37%	20.21%
NET GENERAL OBLIGATION DEBT to Actual Value	2.82%	3.32%	2.99%	2.76%	2.62%
NET GENERAL OBLIGATION DEBT to Appraised Value	2.82%	3.32%	3.25%	3.01%	2.86%
NET GENERAL OBLIGATION DEBT to Assessed Value	9.40%	10.99%	10.86%	10.06%	9.57%
OVERLAPPING DEBT to Actual Value	0.59%	0.62%	0.49%	0.53%	0.80%
OVERLAPPING DEBT to Appraised Value	0.59%	0.62%	0.53%	0.58%	0.87%
OVERLAPPING DEBT to Assessed Value	1.96%	2.04%	1.78%	1.93%	2.92%
NET GENERAL OBLIGATION & OVERLAPPING DEBT to Actual Value	3.41%	3.93%	3.48%	3.30%	3.42%
NET GENERAL OBLIGATION & OVERLAPPING DEBT to Appraised Value	3.41%	3.93%	3.78%	3.59%	3.73%
NET GENERAL OBLIGATION & OVERLAPPING DEBT to Assessed Value	11.36%	13.03%	12.63%	11.99%	12.48%
PER CAPITA RATIOS					
POPULATION (2)	27,310	27,387	27,387	27,387	27,387
PER CAPITA PERSONAL INCOME (2)	\$ 24,793	\$ 24,793	\$ 24,793	\$ 24,793	\$ 24,793
Actual Value to POPULATION	\$ 61,216	\$ 61,334	\$ 66,968	\$ 68,073	\$ 68,235
Assessed Value to POPULATION	\$ 18,369	\$ 18,512	\$ 18,427	\$ 18,710	\$ 18,713
TOTAL LONG TERM DEBT to POPULATION	\$ 2,887	\$ 3,522	\$ 3,714	\$ 3,811	\$ 3,781
NET GENERAL OBLIGATION DEBT to POPULATION	\$ 1,727	\$ 2,035	\$ 2,001	\$ 1,882	\$ 1,790
OVERLAPPING DEBT to POPULATION	\$ 359	\$ 378	\$ 328	\$ 362	\$ 546
NET GENERAL OBLIGATION & OVERLAPPING DEBT to POPULATION	\$ 2,086	\$ 2,413	\$ 2,328	\$ 2,243	\$ 2,336
Total Long-Term Debt Per Capita as a percent of PER CAPITA PERSONAL INCOME	11.64%	14.20%	14.98%	15.37%	15.25%
NET GENERAL OBLIGATION DEBT Per Capita as a % of PER CAPITA PERSONAL INCOME	6.96%	8.21%	8.07%	7.59%	7.22%
OVERLAPPING DEBT Per Capita as a % of PER CAPITA PERSONAL INCOME	1.45%	1.53%	1.32%	1.46%	2.20%
NET GENERAL OBLIGATION & OVERLAPPING DEBT Per Capita as a % of PER CAPITA PERSONAL INCOME	8.41%	9.73%	9.39%	9.05%	9.42%

(1) OVERLAPPING DEBT includes that portion of debt for those portions of Anderson and Roane Counties located within the City boundaries.

(2) Per Capita computations are based upon population data according to the 2000 U.S. Census.

CITY OF OAK RIDGE, TENNESSEE
COMPUTATION OF LEGAL DEBT MARGIN

June 30, 2003

Appraised Value	\$ <u>1,716,622,980</u>
Debt Limit 10 Percent of Appraised Value	\$ <u>171,662,298</u>
Less Debt Applicable to Debt Limit:	
GO Refunding Bonds, Series 2000	775,000
GO Refunding Bonds, Series 2001	21,010,000
GO Refunding Bonds, Series 2003	14,185,000
TMBF Loan, 1994	3,372,500
TMBF Loan, 2002	1,527,100
Golf Course Fund Series 1998	6,800,000
TN-LOANS, 2001	18,570,000
State Revolving Program Loan	14,718,277
Capital Lease	<u>132,977</u>
Total General Obligation Debt (1)	<u>81,090,854</u>
Legal Debt Margin	\$ <u><u>90,571,444</u></u>

Note: Limitation on Borrowing Power: Home Rule Charter - Article IV, Section 12.

"The total amount of bonds or other evidence of indebtedness secured by the full faith and credit of the City that shall be outstanding at any one time shall not exceed 10% of the total appraised valuation of all real estate lying within the city limits."

- (1) Not listed above is authorized and available lines of credit of \$9,982,383 to fund water and wastewater projects and \$797,737 to fund the expansion of the Scarboro Center.
- (2) The above includes debt that is scheduled to be funded through the revenues of a Proprietary Fund, but is legally secured by the full faith and credit of the City.

CITY OF OAK RIDGE, TENNESSEE

**REVENUE BOND COVERAGE
ELECTRIC SYSTEM BONDS**

LAST TEN FISCAL YEARS

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage Ratio
				Principal	Interest	Total	
1994	26,336,296	24,315,416	2,020,880	200,000	266,640	466,640	4.33
1995	25,883,506	23,831,585	2,051,921	205,000	311,168	516,168	3.98
1996	28,554,493	25,758,587	2,795,906	215,000	774,274	989,274	2.83
1997	27,576,939	25,622,088	1,954,851	225,000	732,621	957,621	2.04
1998	30,171,408	27,718,138	2,453,270	460,000	701,162	1,161,162	2.11
1999	30,317,007	27,773,119	2,543,888	480,000	740,858	1,220,858	2.08
2000	30,654,173	28,784,333	1,869,840	600,000	767,181	1,367,181	1.37
2001	33,291,474	29,404,337	3,887,137	899,944	1,275,692	2,175,636	1.79
2002	33,434,251	30,414,099	3,020,152	660,000	699,127	1,359,127	2.22
2003	34,689,697	31,647,977	3,041,720	730,000	740,151	1,470,151	2.07

NOTE:

- (1) Includes operating and nonoperating revenues.
- (2) Total operating expenses exclusive of depreciation.

CITY OF OAK RIDGE, TENNESSEE
PRINCIPAL TAXPAYERS
TAX YEAR 2002
(FOR FISCAL YEAR 2003)

Taxpayer	Type of Business	2002 Assessed Valuation	Percentage of Total Assessed Valuation
Boeing Tennessee Inc.	Manufacturing and Engineering	\$ 14,707,542	2.87%
Oak Ridge Tech Center Oak Ridge Corp Partners	Office Complex	10,838,880	2.11%
BellSouth	Communications	8,638,280	1.69%
Methodist Medical Center of Oak Ridge	Health Services	8,636,987	1.69%
Crown America	Shopping Mall/Misc. Development	7,976,814	1.56%
Richard Chinn	Entrepreneur	5,389,880	1.05%
Scientific Ecology Group (AKA GTS Duratek)	Environmental Services	5,175,274	1.01%
International Environmental Resources (AKA Manufacturing Sciences)	Environmental Services	5,057,257	0.99%
BNFL, Inc	Environmental Services	4,854,660	0.95%
Wal-Mart	Retail	<u>3,800,690</u>	<u>0.74%</u>
TOTAL		<u>\$ 75,076,263</u>	<u>14.65%</u>

*Does not include in-lieu of tax payments.

CITY OF OAK RIDGE, TENNESSEE
TEN LARGEST ELECTRIC CUSTOMERS
For the Fiscal Year Ending June 30, 2003

Customer	Annual Demand	Annual Kwh Usage	Annual Sales Dollars	Percentage Of Total Sales
City of Oak Ridge	61,892	28,137,825	\$ 1,658,485	4.86%
BNFL Inc.	43,832	22,048,069	1,322,921	3.88%
Scientific Ecology Group (SEG) (AKA GTS Duratek)	(1)	23,204,076	1,198,250	3.51%
Boeing	(1)	22,193,878	1,122,828	3.29%
Methodist Medical Center	43,231	22,646,356	1,279,024	3.75%
Oak Ridge Board Of Education	34,647	13,018,678	825,823	2.42%
International Environmental Resources (AKA Manufacturing Sciences)	19,710	8,514,080	507,370	1.49%
US Department of Energy	18,417	8,610,172	502,941	1.48%
BWXT Y-12	16,071	7,925,422	446,889	1.31%
Advanced Measurement	14,375	8,074,400	<u>433,595</u>	<u>1.27%</u>
Total			<u>\$ 9,298,127</u>	<u>27.27%</u>

(1) This customer is on the ESP program offered through the Tennessee Valley Authority.

CITY OF OAK RIDGE, TENNESSEE
ELECTRICAL SYSTEM DATA
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

RESIDENTIAL RATE

Energy Charge Per Month:
6.240 cents per kilowatt-hour

Customer Charge:
\$5.80 per delivery point per month

COMMERCIAL RATE

Customers with a demand of less than 50 kilowatts and with energy takings less than 15,000 kilowatt-hours:

Energy Charge per Month:
6.756 cents per kWh per month

Customer Charge:
\$15.00 per delivery point per month

Customers with a demand of (a) greater than 50 kilowatts but less than 1,000 kilowatts or (b) a demand of less than 50 kilowatts but with energy takings exceeding 15,000 kilowatt-hours:

Demand Charge Per Month:
First 50 kilowatt-hours at no demand charge
Excess over 50 kilowatts at \$9.94 per kW

Customer Charge:
\$30.00 per delivery point per month

Energy Charge per Month:
First 15,000 kilowatt-hours at 7.000 cents per kWh
Additional kilowatt-hours at 3.587 cents per kWh

Customers with demand exceeding 1,000 kilowatts:

Demand Charge Per Month:
First 1,000 kilowatts at \$9.41 per kW
Next 1,500 kilowatts at \$10.56 per kW
Excess over 2,500 kilowatts at \$10.98 per kW

Customer Charge:
\$80.00 per delivery point per month

Energy Charge Per Month:
3.665 cents per kilowatt-hour

Note: Bills on all above rates are subject to certain adjustments. The above rates are net, the gross rates being 5 percent higher.

CITY OF OAK RIDGE, TENNESSEE

**ELECTRICAL SYSTEM DATA
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

CLASS OF SERVICE:	Consumers - June		Electric Sales This Year	
	This Year	Last Year	Kilowatt Hours	Amount
Residential	12,937	12,676	168,062,522	\$ 11,305,606
Small lighting and power	1,654	1,586	36,616,238	2,769,637
Large lighting and power	383	421	332,005,172	19,010,982
Street and outdoor lighting	61	60	6,765,751	1,011,449
Totals	15,035	14,743	543,449,683	\$ 34,097,674

	Purchased Power This Year	
	Kilowatt Hours	Amount
Power billings for the year	<u>561,424,804</u>	<u>\$ 26,066,753</u>

LINE LOSSES AND COST PER KILOWATT-HOUR PURCHASED

Kilowatt-hours purchased (per above)	561,424,804
Kilowatt-hours sold (per above)	<u>543,449,683</u>
Line losses and kilowatt-hours unaccounted for	<u>17,975,121</u>
Percentage of losses and unaccounted for kilowatt-hours to purchases	<u>3.20%</u>
Cost per kilowatt-hour purchases	<u>\$0.0464</u>

OTHER STATISTICS

Miles of electric lines	<u>281.35</u>
Number of regular street lights	<u>5,397</u>
Number of private outdoor lights	<u>1,564</u>

CITY OF OAK RIDGE, TENNESSEE

**WASTEWATER TREATMENT SYSTEM DATA
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

<u>CLASS OF SERVICE:</u>	<u>Consumers - June</u>		<u>Wastewater Fees</u>
	<u>This Year</u>	<u>Last Year</u>	<u>Fiscal Year 2003</u>
Residential	10,633	10,492	\$ 2,565,765
Commercial	1,179	1,191	3,298,583
Totals	11,812	11,683	\$ 5,864,348

WASTEWATER TREATMENT:

Clinch River Industrial Park Plant:	
Capacity daily (gallons)	<u>10,000</u>
Treatment during Fiscal Year 2003 (gallons)	<u>2,400,000</u>
West End Plant:	
Capacity daily (gallons)	<u>30,000,000</u>
Treatment during Fiscal Year 2003 (gallons)	<u>2,200,000,000</u>

COLLECTION SYSTEM:

Miles of sewer mains	<u>244.50</u>
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WASTEWATER TREATMENT RATE:

<u>Recover of Total Cost:</u>	
First 2,000 gallons per month or any part thereof	\$10.50 flat rate
Next 8,000 gallons per month	\$3.75 per thousand gallons
Next 4,999,990 gallons per month	\$5.05 per thousand gallons
Over 5,000,000 gallons per month	\$5.90 per thousand gallons

Minimum Charge per Month

The total wastewater charge shall be no less than \$10.50 per month.

Maximum Charge per Month

The following terms are defined:

Winter Period - November 2 through May 1.

Summer Period - May 2 through November 1.

Residential meter readings taken during the Summer Period shall be subject to a maximum monthly charge. The maximum charge shall be computed using the rates in effect applied to the highest monthly meter reading taken during the preceding Winter Period.

The maximum charge set forth herein is not applicable unless a residential customer has maintained water service at the metered location continuously during the preceding Winter Period.

Note: Bills on all above rates are subject to certain adjustments. The above rates are net, the gross rated being 5 percent higher.

CITY OF OAK RIDGE, TENNESSEE

WATER SYSTEM DATA
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

1. Commodity charge:

First 2,000 gallons or any part thereof	\$ 8.01 per month
Next 8,000 gallons	3.10 per thousand
Next 40,000 gallons	2.77 per thousand
Next 150,000 gallons	2.29 per thousand
Next 800,000 gallons	1.90 per thousand
Next 1,000,000 gallons	1.56 per thousand

United States Department of Energy:

Treated Water	\$ 0.62 per thousand
Raw Water	0.155 per thousand

2. Minimum monthly billings:

For customers using 5/8" or 3/4" meter	\$ 8.01 per month
For customers using 1" or 1-1/4" meter	20.80 per month
For customers using 1-1/2" meter	37.68 per month
For customers using 2" meter	69.67 per month
For customers using 3" meter	117.22 per month
For customers using 4" meter or larger meter	166.68 per month

Note: Bills on all above rates are subject to certain adjustments. The above rates are net; the gross rates being 5 percent higher.

CITY OF OAK RIDGE, TENNESSEE

**WATER SYSTEM DATA
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

CLASS OF SERVICE:	Consumers - June		Water Sales
	This Year	Last Year	Fiscal Year 2003
Residential	10,914	10,769	\$ 2,246,689
Commercial	1,423	1,427	1,261,304
U.S. Department of Energy (DOE)	1	1	1,970,871
Public fire protection (fire hydrants)	1	1	43,645
Totals	12,340	12,199	\$ 5,522,509

LINE LOSSES AND COST PER GALLON

Gallons treated (Thousands)	4,048,248
Treated gallons sold to DOE (Thousands)	2,547,885
Gallons sold - residential and commercial customers (Thousands)	<u>1,138,257</u>
Line losses and gallons unaccounted for (Thousands)	<u>362,106</u>
Percentage of losses and unaccounted for gallons to purchases	8.94%

OTHER STATISTICS

Average daily water consumption (gallons)	10,099,019
Miles of water mains	<u>225.40</u>
Number of fire hydrants	<u>2,501</u>

CITY OF OAK RIDGE, TENNESSEE

DEMOGRAPHIC STATISTICS

1980 AND 1990 CENSUS YEAR INFORMATION AND LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>(1) Population</u>	<u>(2) Per Capita Income</u>	<u>(2) Median Age</u>	<u>(2) Unemployment Rate</u>	<u>School Enrollment</u>
1980	27,662	\$ 9,244 (1)	35.0 (1)	5.4% (1)	5,274
1990	27,310	17,661 (1)	39.6 (1)	4.9% (1)	4,432
1994	27,310	19,836	(3)	3.9%	4,769
1995	27,310	21,621	(3)	4.0%	4,810
1996	27,310	22,292	(3)	4.8%	4,965
1997	27,310	22,130	(3)	5.6%	4,845
1998	27,310	24,337	(3)	3.6%	4,801
1999	27,310	25,181	(3)	3.6%	4,639
2000	27,387	24,793 (1)	43.4 (1)	3.2% (1)	4,491
2001	27,387	27,194	(3)	4.1%	4,398
2002	27,387	(3)	(3)	4.0%	4,391
2003	27,387	(3)	(3)	(3)	4,323

NOTE:

- (1) Source: U. S. Census Bureau. Statistic is for the City of Oak Ridge
- (2) Source: East Tennessee Development District. Statistic is for Anderson County. Information is maintained on a county basis and is unavailable for the City of Oak Ridge as a separate entity in a non-census year. The City comprises approximately 38% of Anderson County.
- (3) Data Not Available.

CITY OF OAK RIDGE, TENNESSEE

OTHER STATISTICAL DATA JUNE 30, 2003

Population (2000 Census)	27,387
Date of incorporation	June 16, 1959
Date of adoption of City Charter	May 5, 1959
Date City took over operations from U. S. Atomic Energy Commission	June 1, 1960
Form of government	Modified City Manager-Council
Number of Council Members (elected at large for a four-year term, staggered so that approximately half of the Council is elected every two years.)	7
Mayor (Council elects one of their members for a two-year term)	
City employees (not including schools):	
Regular Full-Time	321
Seasonal Full-Time	35
Regular Part-Time	7
Seasonal Part-Time	8
Temporary Part-Time	17
Total	388
Area of City	92 square miles
Miles of roads and streets:	
Asphalt	186.9
Bituminous	24.52
Miles of sidewalks:	
Asphalt	55.12
Concrete	43.61
FIRE PROTECTION:	
Classification	Class 3/9/10
Number of stations	3
Number of full-time employees	45
Number of on-call Fire Specialists	24
Number of fire trucks (pumpers and ladder) radio equipped	6
Number of rescue vehicles - radio equipped	2
Number of sedans - radio equipped	4
Number of Fire Specialists' vehicles	5
Number of fire hydrants	2,501

(continued)

CITY OF OAK RIDGE, TENNESSEE

(Cont.)

**OTHER STATISTICAL DATA
JUNE 30, 2003**

POLICE PROTECTION:

Number of stations	1
Number of employees:	
Police Officers	59
Records and support personnel	4
Emergency dispatchers	8
Animal Control Officers	3
School crossing guards (part-time)	2
Number of vehicles:	
Marked	23
Unmarked	5
Animal control	2
Other	9

EDUCATION - PUBLIC SCHOOL SYSTEM:

	<u>Number</u>	<u>ADM</u>	<u>ADA</u>	<u>Teacher/Pupil Ratio</u>
Senior High (Grade 9 through 12)	1	1,444	1,367	1 to 13.50
Middle Schools (Grade 5 through 8)	2	1,374	1,305	1 to 12.40
Elementary Schools (Grade K through 4)	4	1,476	1,407	1 to 12.40
Other (special education)		<u>52</u>	<u>48</u>	
Total Students		<u>4,346</u>	<u>4,127</u>	
Certified Staff	397			
Non-certified Personnel	<u>297</u>			
Total Personnel	<u>694</u>			

RECREATION:

Parks (total acres)	2,237
Number developed	12
Number undeveloped	2
Number of playground (summer)	1
Number of swimming pools	2
Number of tennis courts	22
Number of baseball parks	5
Number of softball parks	6
Number of gymnasiums	1
Number of golf courses	2
Number of soccer fields	9
Number of marina slips	30

UTILITIES:

- Electric - City-owned (statements and statistics are included in this report).
- Water - City-owned (statements and statistics are included in this report).
- Sewer - City-owned (statements and statistics are included in this report).
- Gas - Natural gas system owned and operated by the Oak Ridge Utility District.
- Telephone - Oak Ridge is served by South Central Bell Telephone Company.
- Railroads - Oak Ridge is served by two railroads - Seaboard System and Southern (freight only).
- Airports - Limousine service to McGhee-Tyson Airport at Knoxville (40 minute drive).

CITY OF OAK RIDGE, TENNESSEE

MAJOR EMPLOYERS*

<u>FIRM NAME</u>	<u>PRODUCT</u>	<u>EMPLOYMENT</u>
<u>Major DOE Subcontractors:</u>		
BWXT Y-12	National Security	4,300
UT- Battelle	National Security	3,917
BNFL, Inc.	Decontamination/Decommissioning	1,200
Bechtel Jacobs Co. LLC	Environmental Management	1,105
<u>Other Employers:</u>		
Methodist Medical Center	Health Care	1,500
Science Applications Int'l. Corp. (SAIC)	IT Research & Engineering	885
Oak Ridge Associated Universities	Research & Development	722
Wackenhut-Oak Ridge Team	Security	720
Oak Ridge Schools	Public School System	687
ClientLogic	Customer & Technical Service	600
Duratek	Resource Recovery	522
Boeing Defense & Space	Aerospace Component Management	415
City of Oak Ridge	City Government	340
Parallax, Inc.	Management & Technical Consultants	320
Weskem	Waste Management	300
Jacobs Engineering	Environmental Management	274
Pro2Serve Professional Project Services, Inc.	National Security	250
Ametek	Instruments	234
ORNL Federal Credit Union	Financial Institution	222
InsLogic	Customer Service	215
Bechtel National, Inc.	Environmental Management	200
Emory Valley Center	Business Support Services	200
Remotec, Inc.	Robotics	153
Navarro Research & Engineering	Engineering & Administrative Services	150
Theta Technologies, Inc	Engineering Services	150
Washington Group	Waste Management	150

* Compiled by the Oak Ridge Chamber of Commerce.



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GLOSSARY

Account Number: A system of numbering or otherwise designating accounts, entries, invoices, vouchers, etc. in such a manner that the symbol used quickly reveals certain required and/or desired information.

Accounts Payable: A liability account reflecting amounts of open accounts owing to private persons or organizations for goods and services received.

Accounts Receivables: An asset account reflecting amounts owing and open accounts from private persons or organizations for goods and services provided.

Accrual Basis of Accounting: A basis of accounting in which revenues and expenditures are recorded at the time they are earned or incurred as opposed to when cash is actually received or spent.

Activity: A specific and distinguishable service performed by one or more organizational components of a government to accomplish a function for which the government is responsible (e.g., patrol is an activity within the police department).

ADA: American with Disabilities Act

Ad Valorem Taxes: This is also referred to as property taxes, which are levied on both real and personal property according to the property's valuation and the tax rate.

Adopted Budget: A budget that has been prepared and reviewed in accordance with State law and has been duly adopted by City Council.

Allocate: To set aside portions of budgeted expenditures that are specifically designated to organizations, departments, etc.

Annual Budget: A budget covering a single fiscal year (July 1 – June 30).

Appropriation: An authorization made by the City Council, which permits the City to incur obligations and to make expenditures of resources.

Appropriations Ordinance: The official enactment by the City Council to establish legal authority for City officials to obligate and expend resources.

Assessed Valuation: A value that is established for real or personal property for use as a basis for levying property taxes.

Assessment: The process for determining values of real and personal property for taxation purposes.

Audit Committee: A committee comprised of three City Council members elected by City Council for the purpose of coordinating with the city's auditor and providing oversight to the city's management of the accounting system.

Audit Scope: In the context of a financial statement audit, the coverage provided by the independent auditor's opinion on the financial statements.

Authorized Positions: These are employee positions that are authorized in the adopted budget to be filled during the fiscal year.

Availability criterion: Principle of the modified accrual basis of accounting according to which revenues may only be recognized when they are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Availability period: A specified period immediately following the close of the fiscal year by the end of which cash must be collected for related revenue to be recognized in accordance with the availability criterion of modified accrual accounting.

Balanced Budget: A budget in which anticipated revenues are equal to planned expenditures.

Bond: A long-term promise to pay. It is a promise to replay a specified amount of money on a particular date. Bonds are used primarily to finance capital projects.

Budget: A financial plan for a specified period of time (fiscal year) that balances projected revenues and fund balance appropriations to estimated service expenditures and operating transfer obligations.

Budget Calendar: The schedule of key dates, which a government follows in the preparation and adoption of its budget.

Budget Message: The opening section of the budget, which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the City Manager.

Budgetary basis of accounting: The method used to determine when revenues and expenditures are recognized for budgetary purposes.

Capital Improvements Budget: Appropriation of operating funds and bond funds for a capital improvement project. A capital improvement project is a permanent addition to the City's assets and includes design, construction and purchase of land, buildings and facilities.

Capital Improvement Program: A plan for capital expenditures to provide long-lasting physical improvements to be incurred over a six-year period.

Capital Outlay: Represents expenditures, which result in the acquisition or addition to fixed assets including land, buildings, improvements, machinery or equipment. Most equipment or machinery expenditures are included in the General Fund budget and the Equipment Replacement Rental Fund. Capital improvements such as acquisition of land and related construction and engineering fees are included in the Capital Improvements budget.

Capital Projects Fund: Fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds and trust funds.

Cash Basis: A basis of accounting in which transactions are recognized only when cash is received or disbursed.

CDBG: Community Development Block Grant, a federal entitlement program designed to benefit low and moderate income persons, specifically in the areas of housing and quality of life.

Certificate of Achievement for Excellence in Financial Reporting Program: Program sponsored by the Government Finance Officers Association to encourage and assist state and local governments to prepare high-quality comprehensive annual financial reports. The program has been in continuous operation since 1946. The program originally was known as the Certificate of Conformance Program.

City Council: The governing body of the City of Oak Ridge.

City Manager: The chief executive officer of the City of Oak Ridge by City Council.

Commodities: Expendable items used by operating activities. Examples include office supplies, repair and replacement parts for equipment, books and gasoline.

Comprehensive annual financial report (CAFR): A financial report that encompasses all funds and components units of the government. The CAFR should contain (a) the basic financial statements and required supplementary information, (b) combining statements to support columns in the basic financial statements that aggregate information from more than one fund or component unit, and (c) individual fund statements as needed. The CAFR is the governmental unit's official annual report and also should contain introductory information, schedules necessary to demonstrate compliance with finance-related legal and contractual provisions and statistical data.

Contractual Services: Services rendered to City activities by private firms, individuals or other City departments. Examples include utilities, vehicle charges and building maintenance.

Debt Ceiling: See Debt Limit.

Debt Limit for the City of Oak Ridge: The total amount of bonds or other evidence of indebtedness secured by the full faith and credit of the City of Oak Ridge that shall be outstanding at any one time shall not exceed 10% of the total appraised valuation of all real estate lying within the city limits.

Debt Management Policy: A policy dealing with the issues of debt, how it is managed, and the manner in which debt is issued.

Debt Reduction Plan: A strategic plan and policy designed to eliminate the need for annual bond issues for annual capital projects while, at the same time, increasing the amount of annual cash appropriations for capital projects.

Debt Service Fund: Governmental fund type used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Service: Debt Service expenditures are the result of bonded indebtedness of the City. Debt Service expenditures include principal, interest, and bond reserve requirements on the City's outstanding debt.

Deficit: An excess of expenditures over revenues or expense over income.

Department: The highest levels of operation in the structural organization of the City, which indicates overall management responsibility for a division or a group of related operational divisions.

Depreciation: A decrease in value of property through wear, deterioration, or obsolescence.

Designated unreserved fun balance: Management's intended use of available expendable financial resources in governmental funds reflecting actual plans approved by the government's senior management. Expressed another way, designations reflect a government's self-imposed limitations on the use of otherwise available expendable financial resources in governmental funds.

Distinguished Budget Presentation Awards Program: A voluntary program administered by the Government Finance Officers Association (GFOA) to encourage governments to publish efficiently organized and easily readable budget documents and to provide peer recognition and technical assistance to the fiscal officers preparing them.

Encumbrance: An administrative control under which commitments for the expenditures of money are recorded; thus the money is not available for new expenditure commitments. The use of encumbrances prevents overspending and permits officials to be certain of how much money is available for new commitments.

Enterprise Funds: A proprietary accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures. Enterprise funds in Oak Ridge are the Electric, Waterworks (water and sewer), Emergency Communications District (9121 operators) and Golf Course Funds.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year.

Expenditure: This term refers to the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid.

Fiscal Year: The time period designated by the City signifying the beginning and ending period for recording financial transactions. Unless fixed by ordinance, the Charter specifies July 1 to June 30 of the succeeding year as the fiscal year for the entire City government.

Foundations of Excellence: A City of Oak Ridge budgeting guideline whereby annual municipal budget allocations per household in the proposed budget will not exceed current per-household allocations by more than 110 percent of the rate of inflation.

Fund: An accounting entity that has a set of self-balancing accounts and that records all financial transactions for specific activities or governmental functions. Eight commonly used fund groups in governmental accounting are: general fund, special revenue funds, debt service funds, capital projects funds, enterprise funds, trust and agency funds, internal service funds, and special assessment funds.

Fund Balance: Refers to the excess of assets over liabilities and is therefore also known as surplus funds. It represents the accumulated residual of revenues over expenditures since the inception of the organization.

Fund type: One of 11 classifications into which all individual funds can be categorized. Governmental fund types include the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. Proprietary fund types include enterprise funds and internal services funds. Fiduciary fund types include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Generally Accepted Accounting Principles (GAAP): The conventions, rules, and procedures that serve as the norm for the fair presentation of financial statements. The various sources of GAAP for state and local government are set forth by SAS No. 69, *The meaning of "Present Fairly in Conformity with Generally Accepted Accounting Principles"*

General Fund: The principal fund of the City, the General Fund is used to account for all activities not included in other specified funds. General Fund revenue sources include property and business taxes, licenses and permits, intergovernmental revenues, service charges, fines and forfeitures, and other types of revenue. This fund includes most of the basic operating services, such as fire and police protection, library, refuse contract, parks and recreation, public works and general government administration.

General Obligation Bonds: Bonds issued by a government that are backed by the full faith and credit of its taxing authority.

Goal: A specific statement about that which is to be accomplished or achieved for a particular program during the fiscal year.

Government Finance Officers Association (GFOA): An association of public finance professionals founded in 1906 as the Municipal Finance Officers Association. The GFOA has played a major role in the development and promotion of GAAP for state and local government since its inception and has sponsored the Certificate of Achievement for Excellence in Financial Reporting Program since 1946.

Governmental Accounting Standards Board (GASB): the ultimate authoritative accounting and financial reporting standard-setting body for state and local governments. The GASB was established in June 1984 to replace the NCGA.

Governmental funds: Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

Grants: A contribution or gift in cash or other assets from other government units to be used for a specific purpose.

Independent auditor: Auditors who are independent, both in fact and appearance, of the entities they audit. Both GASS and GAGAS set specific criteria that must be met for an auditor to be considered to be independent.

Independent auditor's report: The official written communication of the results of an audit. In a financial audit, the independent auditor's report typically will offer (or disclaim) an opinion on whether a set of financial statements is fairly presented in conformity with GAAP (or some other comprehensive basis of accounting).

Infrastructure: Streets, bridges, water and sewer lines and treatment facilities, storm drainage, traffic signal, etc.

Interest and Penalties Receivable on Taxes: Uncollected interest and penalties on property taxes.

Internal Service Fund: Proprietary funds used to account for the furnishing of goods or services by one department or agency to other departments or agencies on a cost-reimbursement basis; for example, the Equipment Replacement Rental Fund.

Investments: Securities held for the production of revenues in the form of interest, dividends, and rentals or lease payments.

Lease purchase Agreement: A contractual agreement by which capital outlay, usually equipment, may be purchased over a period not exceeding 60 months through annual lease payments.

Legal debt margin: The excess of the amount of debt legally authorized over the amount of debt outstanding.

Levy: The amount of tax, service charges and assessments imposed by a government.

Lien date: For property (ad valorem) Taxes, the date when an enforceable legal claim to taxable property arises. Generally the lien date is specified in the relevant enabling legislation. Many governments use the term *lien date* even though a lien is not formally placed on the property at that date. Alternatively, there term *assessment date* is used to describe this same date.

Mandate: A requirement imposed upon a local government by the federal and/or state governments to provide certain levels of service.

Measurement focus: The objective of a measurement, that is, what is being expressed in reporting and entity's financial performance and position. A particular measurement focus is accomplished by considering not only which resources are measured (for example, financial or economic resources), but also when the effects of transactions or events involving focus of government-wide financial statements, proprietary fund financial statements, and fiduciary fund financial statements is economic resources. The measurement focus of governmental fund financial statements is current financial resources.

Modified Accrual Basis of Accounting: Basis of accounting according to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which they fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.

Municipal Bonds: A bond issued by a unit of local government.

Net general obligation debt: General obligation debt reduced by amounts being paid with other than general resources (e.g., general obligation debt associated with proprietary funds), as well as amounts available in sinking funds for debt repayment.

Non-Operating Expenses: Expenses that are not directly related to the provision of services such as debt service.

Non-Operating Revenues: Revenues that are generated from other sources, such as interest income, and are not directly related to service activities.

Object Code: A detailed line item expenditure category, such as Regular Salaries (5110), Office Supplies (5310), or Professional Services (5210).

Obligations: Amounts that a government may be required legally to meet from its resources. They include liabilities and encumbrances.

Operating Budget: The expenditure plan for continuing every-day service programs and activities. In most instances, operating expenditures are made in a single fiscal year. These expenditures include personal services, contractual services, commodities, minor capital outlay and debt service requirements.

Operating Transfers: Amounts transferred from one fund to another. Transfers are not expenditures and must be appropriated for expenditures in the fund receiving the transfer.

Ordinance: A formal legislative action enacted by a majority vote on two readings by City Council. It has the effect of law within the community and it must not conflict with federal and/or state law.

Other financing source: An increase in current financial resources that is reported separately from revenues to avoid distorting revenue trends. The use of *other financing sources* category is limited to items so classified by GAAP.

Other financing use: A decrease in current financial resources that is reported separately from expenditures to avoid distorting expenditure trends. The use of the *other financing uses* category is limited to items so classified by GAAP.

Overlapping debt: proportionate share that property within a government must bear of the debts of other local governments located wholly or in part within the geographic boundaries of the reporting government.

Performance Measures: Specific quantitative and qualitative measures of work performed as an objective of the department.

Personal Services: All costs related to compensating employees of the City of Oak Ridge, including salaries, and employee benefit costs such as City contributions for retirement, social security and health insurance.

Property Tax: A tax levied on the assessed value of real and personal property.

Proposed Budget: A budget prepared under the direction of the City Manager's Office and presented to the governing body prior to adoption by City Council for review, amendment and adoption.

Proprietary funds: Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

Public Hearing: An open meeting of the City Council specifically for the purpose of obtaining public comment and input on a particular issue.

Retained Earnings: The cumulative earnings since the establishment of the system that generally have been invested in property, plant and equipment or current assets (cash, accounts receivable, and inventory). The balance in Retained Earnings declines as the property depreciates.

Revenue: Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.

Reserved Fund Balance: The portion of a fund's balance that is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

Risk Management: An organized effort to protect a government's assets against accidental loss by the most economic method.

Special revenue fund: A governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital projects). The City of Oak Ridge's special Revenue Funds are General Purpose School Fund, Drug Enforcement Program Fund, State Street Aid Fund, Streets and Public Transportation Fund, Economic Diversification Fund, Grant Fund, Solid Waste Fund.

State Shared Revenue: Revenue levied and collected by the State of Tennessee but shared with its localities on a predetermined method.

IDOT: Tennessee Department of Transportation

Un-audited: Accounts or numbers that have not been verified for their accuracy.

Unencumbered Balance: The amount of an appropriation that is neither expended nor encumbered. It is the amount of money still available for future purposes.

Unreserved Fund Balance: The portion of a fund's balance that is not restricted for a specified purpose and is available for general appropriation.



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